

Opening Statement of the Honorable Joseph R. Pitts
Health Subcommittee Hearing on
“Medicare Access and CHIP Reauthorization Act of 2015: Examining Implementation
of Medicare Payment Reforms”
March 17, 2016

(As Prepared for Delivery)

Today’s hearing will provide an opportunity for the Health Subcommittee to review the implementation progress of the Medicare payment reforms as included in the historic legislation which repealed the Sustained Growth Rate (SGR) and replaced it with new payment models and other reforms.

I say ‘historic’ because as my colleagues know well, we worked over many years to address the problems associated with the SGR and impending yearly payment cuts to doctors that inevitably were avoided thanks to short-term, temporary patches – 17 in all.

Many were interested in finding a solution, but not until the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) was enacted – with overwhelming bipartisan support in the House and Senate – did we finally achieve reforms for physician payments while also promoting high quality care for patients. Through a variety of incentives, physicians are encouraged to engage in activities to improve quality. Existing quality reporting programs are consolidated and streamlined into a new Merit-based Incentive Payment System (MIPS).

Strong incentives are created for physicians to participate in qualified Alternative Payment Models (APM) and I would like to speak to one such APM, Patient Centered Medical Homes (PCMHs), which are an innovative model of care that has been shown to improve outcomes, patient experience, and reduce costs. Physicians in qualified PCMHs will get the highest possible score for the practice improvement category in the new MIPS program. PCMHs that have demonstrated to the U.S. Department of Health & Human Services the capability to improve quality without increasing costs, or lower costs without harming quality, will not have to accept direct financial risk.

Physicians in qualified APMs will receive a 5 percent bonus from 2019-2024. Technical support is provided for smaller practices, funded at \$20 million per year from 2016 to 2020 to help them participate in APMs or the new MIPS program. Funding is also provided for quality measure development at \$15 million per year from 2015 to 2019 and physicians will retain their role in developing quality standards.

Along with these physician payment reforms, MACRA also reauthorized the National Health Service Corps, Community Health Centers, Teaching Health Centers and the Children’s Health Insurance Program (CHIP) all of which will help to ensure patient access to primary care.

Today’s hearing will be focused exclusively on the Medicare payment reforms and with our expert witness from the Centers for Medicare and Medicaid Services (CMS), Members will have an opportunity to learn about CMS’ work to leverage performance

measures with new payment models to build a better system that improves overall care for our seniors while also reducing costs.

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