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January 29, 2010

The Honorable Harry Reid
Senate Majority Leader
522 Hart Senate Office Building
Washington, DC 20510

The Honorable Mitch McConnell
Senate Minority Leader
361 A Russell Senate Office Building
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker of the House
235 Cannon House Office Building
Washington, DC 20515

The Honorable Steny Hoyer
House Majority Leader
1705 Longworth House Office Building
Washington, DC 20515

The Honorable John Boehner
House Minority Leader
1011 Longworth House Office Building
Washington, DC 20515

Dear Sens. Reid and McConnell, Speaker Pelosi, and Reps. Hoyer and Boehner:

DMAA: The Care Continuum Alliance thanks you for your leadership as Congress continues to deliberate health care reform. To that end, we encourage you to find a way to advance legislation that improves the quality and efficiency of health care, places greater emphasis on prevention and wellness and reduces costs – all widely supported goals for reform.

DMAA represents more than 200 organizations providing care to more than 160 million Americans through wellness, chronic care management and complex case management. DMAA members include wellness, disease and care management organizations, pharmaceutical manufacturers and benefits managers, health information technology innovators, biotechnology innovators, employers, hospital systems, physicians, nurses and other health care professionals, and researchers and academicians.

DMAA strongly supports many aspects of health care reform, including investments in quality, prevention and improving the delivery of care. DMAA urges you to consider the attached recommendations for inclusion in a final health care reform package. The House- and Senate-

approved measures contained provisions needed to improve our nation's health care system. To be sure, DMAA remains committed to supporting future legislative activities to move the health care delivery system from one focused on acute and reactive care to a system more closely aligned with prevention and wellness.

Promoting Innovations in Care Delivery

The Senate-approved health care reform vehicle includes language to support the further examination and evaluation of innovative payment and delivery models in Medicare. The proposed creation of a Center for Medicare and Medicaid Innovation represents an essential step toward putting Medicare, Medicaid and the Children's Health Insurance Program on a sustainable path. The new center also would enable the Centers for Medicare and Medicaid Services to meet a need for more rapid testing and evaluation of new payment methodologies to foster improved care coordination, patient focus, cost-effectiveness and quality for chronically ill, high-cost beneficiaries.

DMAA views the Innovation Center as an ideal opportunity for assessing a broad variety of models and intervention strategies for both the chronically ill and those at-risk for developing chronic conditions. The rich experience of successful, evidence-based approaches to in-person and remote care in the public and private sectors provides a solid foundation for the center's work.

Medical Loss Ratios

DMAA supports House and Senate efforts to provide guidance in calculating health plan medical loss ratio as a part of efforts to spur plans to be more efficient and to spend a high share of premium dollars on patient care.

One challenge in constructing medical loss ratios is that some patient care activities designed to improve quality might be counted as administrative costs. The Senate-passed bill appropriately counts these quality improvement activities as separate from administrative costs, such as marketing and reserves, and does not include them in the calculation of health plan loss ratios. DMAA strongly supports breaking out this new category of expenses related to quality improvement activities and specifically citing, among others, expenses related to wellness, care coordination, disease management, accreditation, activities supporting health information technology, and the reporting of quality measures. These quality improvement activities have been shown repeatedly to improve health care quality and to save lives and avoid suffering. For example, a recent study by Morisky et al (2009)¹ demonstrated the positive impact of a disease management program on a group of Medicaid patients in Florida. Results of the study showed that patients enrolled in a disease management program improved their ability to control their hypertension, manage their asthma symptoms and reduce their cholesterol and blood glucose levels. Performance measurement has improved care for diabetes, heart disease, high blood pressure and high cholesterol, saving 165,000 to 272,000 lives.

Prevention and Wellness

DMAA strongly supports improved access to primary and preventive care benefits and services in any standard benefits package. DMAA believes improved access to preventive services can be achieved by reducing or eliminating cost sharing requirements for such services.

¹ Morisky D, Kominski G, Abdelmonem A, Kotlerman J. The Effects of a Disease Management Program on Self-Reported Health Behaviors and Health Outcomes: Evidence From the "Florida: A Health State (FAHS)" Medicaid Program. *Health Education & Behavior*. Vol. 36, No. 3, June 2009.

Further, we applaud your recognition of prevention and wellness in Medicare through coverage of health risk assessments and personalized prevention plans. However, we remain concerned that the increasing prevalence of chronic disease and projected growth of the Medicare population could outstrip the resources of an already understaffed and overburdened primary care workforce. Allied health professionals can help the physician-led care team successfully incorporate these new wellness and prevention benefits into patient care.

Employer-Sponsored Wellness Programs

Compelling evidence suggests that workplace wellness programs produce improved health outcomes and quality through greater adherence to treatment plans, increased productivity and reduced medical costs for patients and providers. Recent research published in *Health Affairs* on employee wellness programs concluded that “wider adoption of such programs could prove beneficial for budgets and productivity as well as health outcomes.”² Programs to successfully target cholesterol levels, obesity, smoking and other risk factors for chronic disease have demonstrated their value time and again in the workplace, employer experience and studies show^{3,4,5,6}. In addition, data indicates consistently high patient and provider satisfaction rates with these programs and the effectiveness of incentives to promote employee participation^{7,8}. DMAA urges you to protect access to workplace health promotion programs and to the incentives and other tools employers use to ensure program success.

DMAA appreciates the opportunity to provide resources and information in support of health care reform to achieve the goals outlined below.

Sincerely,



Tracey Moorhead
President and CEO

² Baicker K, Cutler D, Song Z. Workplace Wellness Programs Can Generate Savings. *Health Affairs*, doi: 10.1377/hlthaff.2009.0626

³ Fritsch M, Montpellier J, Kussman C. Cholesterol Measurement as a Workplace Health Promotion Intervention. *Occupational Health*. Vol. 61, No. 3, March 2009

⁴ Renaud L, Kishchuk N, Juneau M, Nigam A, Téreault K, Leblanc MC. Implementation and outcomes of a comprehensive worksite health promotion program. *Can J Public Health*. 2008 Jan-Feb;99(1):73-7.

⁵ Anderson LM, Quinn TA, Glanz K, Ramirez G, Kahwati LC, Johnson DB, Buchanan LR, Archer WR, Chattopadhyay S, Kalra GP, Katz DL. The effectiveness of worksite nutrition and physical activity interventions for controlling employee overweight and obesity: a systematic review. *Am J Prev Med*. 2009 Oct;37(4):340-57.

⁶ Goetzel RZ, Gibson TB, Short ME, Chu BC, Waddell J, Bowen J, Lemon SC, Fernandez ID, Ozminkowski RJ, Wilson MG, DeJoy DM. A multi-worksite analysis of the relationships among body mass index, medical utilization, and worker productivity. *J Occup Environ Med*. 2010 Jan;52 Suppl 1:S52-8.

⁷ Gabel JR, Whitmore H, Pickreign J, Ferguson CC, Jain A, K C S, Scherer H. Obesity and the Workplace: Current Programs and Attitudes Among Employers and Employees. *Health Affairs*. Vol. 28, No. 1, January/February 2009

⁸ Finkelstein, EA, Kosa, KM, Brown, DR. Use of incentives to motivate healthy behaviors among employees. *Gender Issues*, 21 (3):50-59.

Recommended Provisions for Final Health Reform Legislation

Promoting Innovations in Care Delivery

Recommendation:

Include Section 3021 of HR 3590 creating the Center for Medicare and Medicaid Innovation in the final legislation, eliminating the language from the manager's amendment enabling the creation of "rapid learning network" to test "interventions developed under the Medicare Care Coordination Demonstration project."

Medical Loss Ratios

Recommendation:

Include Section 2718 of the H.R. 3590 and include report language that provides examples of patient care activities that improve quality – specifically expenses related to wellness and health promotion, care coordination, disease management, accreditation, activities supporting health information technology, and reporting quality measures.

Prevention and Wellness

Recommendation:

Include Section 1711 of HR 3962 to require coverage of preventive services in Medicaid and prohibit cost sharing.

Include Section 3022 of HR 3590 to create a shared savings program in Medicare to reward Accountable Care Organizations that take responsibility for costs and quality of care provided to their patient panels.

Include Section 4103 of HR 3590 to provide coverage for an annual wellness visit in Medicare with no deductible or co-payment.

Include Section 4104 of HR 3590 to waive beneficiary coinsurance for most preventive services in Medicare.

Employer-Sponsored Wellness Programs

Recommendation:

Include Section 2705 of H.R. 3590 to codify existing regulatory provisions permitting the use of employer-provided incentives for employee engagement in wellness programs.

Include Section 112 of hr 3962 to provide grants to small employers for comprehensive wellness programs.