

**Statement for the Record of Chairman Fred Upton
Health Subcommittee Hearing on “Medicare Post-Acute Care Delivery and
Options to Improve It”
April 16, 2015**

Modernizing and strengthening Medicare to improve care for seniors and help make it more sustainable over the long run remains a top priority for this committee. Today the Health Subcommittee will examine Medicare’s payment policies for seniors utilizing post-acute care. Post-acute care - care that some of our most vulnerable seniors rely on, usually after discharge from a hospital stay - represents a fast-growing part of the Medicare benefit, having roughly doubled in cost over the last decade. With 10,000 Baby Boomers entering Medicare each day, it is essential that we understand how Medicare’s current post-acute policies impact the quality of care seniors in Michigan and across the country receive.

Post-acute care providers currently face significant disparities in the range of reimbursements they receive from the Medicare program. This is, in part, a legacy of past legislative efforts designed to target resources to specialized facilities which were intended to care for more complex patients in an intensive manner. However, in recent years, continued advancements in medical technology and clinical best practices have proven that there may be opportunities to make post-acute reimbursements more efficient, while better measuring and rewarding quality, incentivizing coordinated care, and improving seniors’ care overall.

Improving post-acute care services for seniors is an area that is ripe for bipartisan agreements. From the President’s FY2016 Budget, to Republican proposals, to right here in our committee, there are a range of ideas on how to increase quality, improve seniors’ care, and reduce costs in a targeted manner. I

would like to thank Rep. McKinley from this committee in particular for his work on H.R. 1458, the “Bundling and Coordinating Post-Acute Care Act of 2015” (BACPAC). This bipartisan bill, cosponsored by Reps. Tom Price, Jerry McNerney, and Anna Eshoo outlines a way to provide bundled payments for post-acute care services under Medicare, while protecting seniors’ choices and helping coordinate care.

I look forward to continuing to work with my colleagues and the experts testifying today as we find bipartisan opportunities to improve health care for seniors. I especially want to thank Mark Miller, the director of MedPAC, and his staff for all their hard work. We continually turn to MedPAC for analysis and expertise, and we appreciate the resource he and his team are to the committee. I thank all of the witnesses for their important testimony.