

STATEMENT FOR THE RECORD

SUBMITTED TO THE

**HOUSE ENERGY AND COMMERCE COMMITTEE
SUBCOMMITTEE ON HEALTH**

**“MACRA AND ALTERNATIVE PAYMENT MODELS: DEVELOPING
OPTIONS FOR VALUE-BASED CARE”**

NOVEMBER 8, 2017

Submitted By the Health Systems for Stark Reform (HSSR) Coalition

The HSSR Coalition (the “Coalition”) respectfully submits the following statement for consideration by the Committee on Energy & Commerce, Subcommittee on Health. Our members are health systems on the forefront of new payment models, providing the full continuum of care in collaboration with multiple care settings and technology companies. As such, they are uniquely positioned to contribute a nuanced perspective on Medicare Access and CHIP Reauthorization Act of 2015 (“MACRA”) and Alternative Payment Models (“APMs”). The current members of this coalition are: Adventist Health System, Aurora Health Care, Intermountain Healthcare, New York Presbyterian, and UnityPoint Health. We appreciate the opportunity to provide these comments to the Committee.

The transition to value-based care requires new types of partnerships and payment arrangements among health industry stakeholders. The Coalition members are more than just hospital systems, but instead provide comprehensive care through a network of healthcare providers including physicians, hospitals, urgent care centers, home health and hospice agencies, and skilled nursing facilities. They deliver services to meet the health needs of entire communities and regions. The Coalition members can provide insight into operational issues and challenges that result from the current fraud and abuse regulatory landscape, specifically the Physician Self-Referral Law (“Stark Law”), to the adoption of value-based care models. From this unique position, the Coalition members advocate for common sense modernization that will advance patient health.

The Coalition members strongly support the Committee’s exploration of opportunities to promote value-based care under MACRA and APMs. Since 2015, the Coalition and policy experts, including Kevin McAnaney and Troy Barsky have worked together to develop policies and draft legislation to modernize the Stark Law. In their current form, this law forms a barrier to the nationwide transition to value-based care.

To ensure that outdated laws do not stand in the way of innovation, the Coalition encourages the Committee to consider the following proposals, to strengthen the potential of MACRA and APMs to encourage coordinated care and meaningful collaboration among all healthcare entities:

- Create a Coordinated Network Arrangements exception to the Stark Law. This exception would protect all arrangements within a clinically integrated network or value based arrangement, such as Bundled Payment Arrangements and Accountable Care Organizations, regardless of whether entities are participating in a Medicare value based model.
- Allow HHS to employ waivers of the Stark Law for any arrangement that is “reasonably related” to an APM under MACRA.
- Introduce definitions that would provide clarity to providers on permissible value-based care arrangements.

Reform of the Medicare program and the Stark Law must allow for participation of all healthcare entities to coordinate care for patients. MACRA and APMs will only be successful if all healthcare entities are able to innovate together to coordinate care for patients. While one intent of MACRA was to encourage physicians to move to value based care models, the shift to APMs demonstrates that all healthcare entities must work together to provide high quality care to patients. And in turn, any waivers or new fraud and abuse exceptions must equally protect all entities who are participating in these new value based arrangements.

The Coalition strongly supports the efforts of the Committee as it explores this very important issue and stands ready to provide assistance in any way we can to achieve these necessary reforms.