

Chairman Michael C. Burgess, MD
Opening Statement
Energy and Commerce Subcommittee on Health Hearing
“MACRA and Alternative Payment Models:
Developing Options for Value-based Care”
November 8, 2017

The Subcommittee will come to order.

The Chair will recognize himself for an opening statement.

Today marks the Health Subcommittee’s third oversight hearing to examine the implementation of the Medicare Access and CHIP Reauthorization Act since its enactment. Personally, MACRA was a significant milestone because repealing the Sustainable Growth Rate was one of my driving forces soon after I came to Congress. MACRA represents a fundamental change in a health care payment system that had remained static for many years and had created tremendous amount of uncertainty for providers since 2003. Before MACRA, Congress delayed cuts to Medicare reimbursements for physician services a total of 17 times! Through the hard work and steadfast leadership of the Energy and Commerce Committee and unwavering commitment of the medical community, this bipartisan effort led to policies that sought to put power back in the hands of those who actually provide care. That way, doctors will give shape to the health care payment systems of the future. So, it is critically important that MACRA succeeds, and I am glad that the Committee remains dedicated to ensuring we get payment reform right. This continues to be one of my priorities.

Today we will convene two panels of witnesses. First, I want to welcome Dr. Jeffrey Bailet, Chairperson of the Physician-Focused Payment Model Technical Advisory Committee (PTAC), and Ms. Elizabeth Mitchell, Vice Chairperson of PTAC to our subcommittee this morning. Later, we will hear from physicians representing key stakeholder groups that either already have an Alternative Payment Model (APM) or have one in the pipeline with PTAC or the Center for Medicare and Medicaid Innovation (CMMI). With that, I want to take a moment to also welcome Dr. Daniel Varga from the Texas Health Resources, which provides care for many of my constituents in the North Texas area.

The focus of today's hearing will be on Alternative Payment Models (APMs), which is one of two options eligible professionals can be reimbursed under MACRA. The other option is the Merit-based Incentive Payment System (MIPS), which also deserves our full attention and will be the subject of an additional hearing in the near future.

One of the many goals of MACRA was to encourage and engage in care delivery models that drive quality while reducing healthcare costs. This movement towards APMs has allowed providers greater flexibility to innovate and try a delivery system that better aligns with their unique practice needs, produce better patient outcomes, and offer them an opportunity to share in significant savings. I am encouraged by figures that indicate an estimated 50 percent of Medicare payments will be tied to APMs next year. We may have heard some of these models before: the Medicare Shared Savings Program through Accountable Care Organizations, the Next Generation ACO Model, the Comprehensive Primary Care Plus Model, and the Oncology Care Model. It is safe to say we will likely hear of them and similar hybrids much more in the future.

It is notable and important that these efforts are physician directed and physician led. This not necessarily the easiest path, but it is the correct one. A recurring theme we will hear this morning is that physicians are best suited to provide the determinants of quality. Patients are counting on us – the doctors – to get this right.

It has been two and a half years since MACRA became law. I believe the true potential of MACRA has yet to be met, but I believe the law has already been proven a success in delivering better care to beneficiaries, savings to the Medicare program, and certainty to doctors. It is important to hear the positive impact this law has had so far from everyone here today. Finally, it is critical that what we accomplish today follows the same open, transparent, and bipartisan structure that helped get MACRA signed into law.

I again want to welcome all of our witnesses and thank you for being here. I look forward to your testimony.

I would like to yield the balance of my time to Ms. Blackburn of Tennessee, for a statement.