

Statement for the Record of Rep. Anna G. Eshoo

House Committee on Energy and Commerce

Subcommittee on Health

Hearing on “*Examining Barriers to Expanding Innovative, Value-Based Care in Medicare*”

2322 Rayburn House Office Building

September 12, 2018

Mr. Chairman, thank you for holding this important hearing on ways this Committee can address the current barriers to implementing value-based care in Medicare. Welcome to our six witnesses. Each of you brings an important expertise and your testimony will be highly instructive as the Health Subcommittee explores ways to modernize the Stark Law and anti-kickback statute.

The health care system, and Medicare more specifically, has changed significantly since the Stark Law and anti-kickback statute were created almost 30 years ago. This law and statute are critically important to controlling waste, fraud and abuse in Medicare. They were put into effect to save costs in Medicare and ensure that physicians were referring patients for services that were medically necessary, not to yield higher reimbursements. The Centers for Medicare and Medicaid Services currently has tools to provide waivers and safe harbors under Stark and anti-kickback so this Committee should be careful as we seek to make changes legislatively and we should do so with precision. As we look at ways to modernize Stark and anti-kickback we have to consider the initial purpose of this law and statute. Any changes should maintain original intent as we seek to bring the law and statute in line with the way that Medicare operates today and how this Committee envisioned it should operate when we passed MACRA.

We owe it to physicians and patients to explore ways to improve upon existing laws and statute to ensure that physicians can meet the changing demands of the Medicare program while preserving high quality, cost effective care for beneficiaries.