

OPENING STATEMENT
SENATOR CHARLES E. GRASSLEY, CHAIRMAN

We are here to discuss the special care needed by seniors with chronic conditions and to develop recommendations for improving the health care system. In particular, the discussion will examine the existing barriers in the Medicare and Medicaid programs that stand in the way of efficiently serving persons with chronic conditions. Each of the panelists will present recommendations of ways care can be delivered more efficiently and effectively.

Unfortunately, individuals and family members coping with chronic conditions are much too experienced with the fragmented system. Too often, the fractured system prevents elderly Americans with chronic conditions from receiving the appropriate medical and social services they desperately need. We must work to improve the delivery of care for these individuals.

We have learned much from the work of health care experts. We now know that elderly persons who are dually eligible for Medicare and Medicaid have poorer health than Medicare-only beneficiaries. They often have chronic conditions, such as Alzheimer's disease, diabetes, cancer, arthritis, mental illness and chronic heart conditions.

We also know that these chronic health conditions require special attention. It takes the coordination of the individual, family, doctors, nurses and other health experts to care for a person with these conditions. Fortunately, advances in medicine have provided many ways of managing chronic conditions. But fragmentation in the system often creates roadblocks that prevent chronically ill individuals from receiving the best care possible.

Without proper care, chronic conditions can quickly worsen. And fragmented care can mean skyrocketing costs. Average nursing home care can cost \$40,000 per year. Home health care can range from \$50 to \$200 per day. When paid by an individual, such health care expenses can quickly exhaust a lifetime of personal and family savings. When paid by Medicare and Medicaid, program costs reach into the billions.

I'm glad to announce that Senator Wyden and I are working together to craft legislation to address the specific needs of individuals who need chronic care. My bill would create a commission to study chronic care needs. Senator Wyden's bill would create a demonstration project for integrated care. We plan to introduce both bills within the next two weeks.

I am confident that this forum will provide a constructive debate on the barriers in the Medicare and Medicaid programs that stand in the way of serving people with chronic conditions. I look forward to hearing the recommendations for action that will emerge from the discussion.