

Opening Statement of U.S. Senator Blanche Lincoln (D-Ark.)
Senate Special Committee on Aging
“The Future of Medicare: Recognizing the Need for Chronic Care Coordination”
Wednesday, May 9, 2007

I want to thank Chairman Kohl and Ranking Member Smith for the opportunity to chair today’s hearing on The Future of Medicare: Recognizing the Need for Chronic Care Coordination. As a member of the so-called “Sandwich Generation” who cares for their children and aging parents simultaneously, I am keenly aware of many issues affecting older Americans and have been an advocate for geriatric chronic care coordination for several years. Studies indicate that when patients are linked with a physician or other qualified health professionals to coordinate care the results are improved quality of care, increased efficiency, and greater cost-effectiveness.

That is why I am pleased to chair today’s hearing; to raise awareness of the need for chronic care coordination services for Medicare beneficiaries and to discuss how these services can be provided in a cost-effective way. This hearing will specifically focus on chronic care coordination in the traditional Medicare fee-for-service (FFS) program. While some chronic care coordination occurs in other programs such as Medicare Advantage and the Program for All Inclusive Care for the Elderly (PACE), nearly 85 percent of Medicare beneficiaries continue to receive healthcare from the traditional fee-for-service program, which lacks a chronic care coordination component.

Why focus on chronic care coordination? Well, there are several reasons.

First, the needs of Medicare beneficiaries have changed over time. When Medicare was first established in 1965, it was based on a health insurance model, which focused on acute care, not chronic conditions. But today, many older Americans suffer from multiple chronic conditions and would benefit from care coordination. We know that about 78 percent of the Medicare population have at least 1 chronic condition, and 63 percent have two or more chronic conditions.

Second, as our population ages, the number of older individuals with chronic illnesses is also expected to rise. A recent article in the Washington Post noted that Baby Boomers are more likely to be in worse health condition than their parents in retirement (April 20, 2007), which may result in a greater need for medical services. A RAND Corporation study estimates that half of the population will have a chronic condition in 2020 – a total of 157 million Americans.

Third, Medicare beneficiaries with multiple chronic care conditions are expensive to treat. According to the Congressional Budget Office, 43 percent of Medicare costs can

be attributed to 5 percent of Medicare's most costly beneficiaries. Medicare beneficiaries with four or more chronic conditions are 99 times more likely to experience one or more potentially preventable hospitalizations than those without chronic conditions. If an individual has Alzheimer's disease or dementia, medical costs increase even more dramatically.

Finally, multiple chronic conditions not only affect the individuals suffering from them, but also their caregivers. About 5 years ago, I watched my mother devote herself to the care of the man she had loved for more than 52 years. She had pledged to attend to him and honor his life until he departed this world, even if he no longer remembered her name or could recognize her face. My dear father suffered from Alzheimer's disease.

My mother's strength and commitment to my father during his long illness remains a great source of inspiration to me. Unfortunately, my family's experience with the ravages of Alzheimer's is not unique. Millions of Medicare beneficiaries with chronic conditions who remain at home do so with the help of family and friends. Research shows that family care for an older adult with chronic illness or disabilities, especially dementia, can have negative health effects (both physical and mental) on family members.

To address these issues, I am pleased to announce that today Senator Collins and I introduced the Geriatric Assessment and Chronic Care Coordination Act of 2007, along with Senators Kohl, Kerry, Mikulski, Clinton, Boxer, and Casey. I am also pleased that Representatives Gene Green and Fred Upton are sponsoring a companion bill in the House and that 30 national organizations have endorsed the bill. This bill realigns Medicare to provide high-quality, cost-effective care to elderly individuals with multiple chronic conditions. It is an important step forward in recognizing and remedying the impact that multiple chronic conditions have on individuals, their caregivers, and the Medicare program.