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July 12, 2017

The Honorable Patrick Meehan U.S. House of Representatives 2305 Rayburn House Office Building Washington, DC 20515

Dear Congressman Meehan:

On behalf of our nearly 5,000 member hospitals, health systems and other health care organizations, and our clinician partners – including more than 270,000 affiliated physicians, 2 million nurses and other caregivers – and the 43,000 health care leaders who belong to our professional membership groups, the American Hospital Association (AHA) is pleased to support H.R. 3044, legislation to expand supplemental benefits to meet the needs of chronically ill Medicare Advantage (MA) enrollees.

The MA program is an important source of coverage for approximately one third of Medicare beneficiaries. More than 60 AHA members sponsor MA plans, and nearly all AHA members contract with such plans to provide services to enrolled Medicare beneficiaries.

The MA program is a success when measured on metrics such as marketplace competition, consumer satisfaction and quality of care. H.R. 3044 will help further improve the program by allowing plans to adapt benefits to meet the needs of MA enrollees with chronic conditions. In most instances, insurers must provide all plan enrollees with the same set and scope of benefits. We recognize that such a policy is intended to prevent discrimination and ensure access to care for all enrollees. However, this requirement has the negative consequence of preventing plans from addressing the unique needs of some enrollees. Chronically ill MA enrollees would benefit from specialized service, but plans have been unable to offer it due to the resources required to make such a service available to all enrollees.

This legislation gives plans the flexibility to tailor their products to better meet the needs of those chronically ill enrollees. Not only does that allow MA plans to offer additional health-related benefits to the chronically ill, but H.R. 3044 also permits benefits that are not primarily health related. The AHA has strongly advocated for permitting for holistic care through coverage of social services.

Many social, economic and demographic factors contribute to an individual's health, such as secure and safe housing, transportation, assistance with activities of daily living, and adequate



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nutrition and physical exercise. These factors often cannot be addressed by medical services alone, yet can have a negative impact on health outcomes, patient experience of care and total cost of care. MA plans currently have limited options for providing non-medical social services to help address these underlying social determinants of health. Your legislation takes important steps to allow plans to offer non-medical services to chronically ill patients.

We applaud your leadership to improve MA for chronically ill beneficiaries and look forward to working with you to secure passage of this legislation. Please contact me if you have questions or feel free to have a member of your team contact Travis Robey, senior associate director for federal relations, at trobey@aha.org or (202) 626-2328.

Sincerely,

Thomas P. Nickels Executive Vice President