

# Congress of the United States

Washington, DC 20510

December 7, 2011

Ms. Marilyn Tavenner  
Acting Administrator  
Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
Baltimore, MD 21244-8013

Dear Ms. Tavenner:

We would like to extend our sincere congratulations on your nomination by President Obama to be the Administrator of the Centers for Medicare and Medicaid Services (CMS) and ask that you place a high priority on the implementation of Section 3024 of the Affordable Care Act, the Independence at Home (IAH) delivery model.

By law, IAH must be operational by January 1, 2012. Yet with three weeks remaining in the year, CMS still has not released guidelines for providers that wish to apply for participation, much less indicate that this model should be expanded beyond the 10,000 beneficiaries limitation specified in statute. We are concerned that this significant delay may cause providers that have expressed interest in participating in IAH to apply for other shared savings programs. This would be a disastrous outcome given that IAH utilizes a proven delivery model, which has been shown to dramatically improve patient care and satisfaction while significantly reducing costs for chronically ill individuals.

We believe IAH will be successful in lowering costs among the sickest, most expensive Medicare patients. IAH is targeted to serve a high-cost segment (5-8%) of Medicare beneficiaries who account for approximately 50% of Medicare costs and whose care is most emblematic of the fragmentation, unsafe practices and wastefulness under the current system. Furthermore, IAH can make a difference immediately because there are programs in every area of the country that can implement IAH with relatively little start up time or cost. And it is proven because the model has consistently reduced health care costs by 24%-60% and produced better outcomes among Medicare, Medicare Advantage, Medicaid and private insurance patients in hundreds of programs operated for decades by the Department of Veterans Affairs, and numerous other health care practitioners and providers across the country.

In June 2011, we sent a letter to CMS (enclosed) laying out the criteria that we felt were necessary for IAH to succeed and were consistent with congressional intent. Dr. Berwick responded that they agency would take them into consideration as staff developed guidelines for the model. We reiterate our support for inclusion of the design aspects mentioned in that letter, and we would like to know when we can expect the release of guidelines for this much needed delivery model.

We appreciate the enormous task that you and the CMS staff face in transforming healthcare in this country from a fragmented system to one that encourages coordinated, patient-centered care. We feel that IAH has a vital role to play in that transformation, and we look forward to working with you to implement the model quickly so that it can benefit the seniors – and the system – that need it so urgently.

Sincerely,



Sen. Ron Wyden



Rep. Edward J. Markey