

Opening Statement
Senator Susan Collins
As Prepared for Delivery
“Patient-Focused Care: A Prescription to Reduce Health Care Costs”
October 3, 2018

According to a recent poll, for more than a year now, Americans have listed health care as the most important problem facing our country. This should come as no surprise. Health care is a deeply personal, complex issue that affects each and every one of us and comprises one-sixth of the American economy. If we want to improve the affordability and accessibility of health care, as well as the sustainability of our entitlement programs, we simply must get a handle on cost.

This Committee has already addressed health care costs from several different angles. We have focused on how market failures and a lack of transparency affect the pricing of prescription drugs. For example, we have examined the rising cost of insulin and rheumatoid arthritis drugs, as well as the tangled nature of the relationships among pharmaceutical companies, pharmacy benefit managers, and various other components of the supply chain.

We have also highlighted the need for more investment in medical research in the areas of diabetes and Alzheimer’s Disease, both of which have significant human and financial costs.

Today we examine a different aspect of health care costs: how can we better leverage spending on innovations and quality initiatives that help keep patients well, and critically, what specific actions would help us to succeed in that mission?

Health care providers often refer to the “Triple Aim:” improving the patient experience of care, including quality and satisfaction; improving the health of populations; and reducing the per capita cost of health care.

Without a doubt, tremendous opportunities exist for improvement. As Dr. Atul Gawande correctly observes, “The one thing the medical profession is not rewarded for is providing better, higher-value care...In a fee-for-service payment system—a system of paying doctors and hospitals by pill and procedure—we are actually penalized for making the effort to organize and deliver care with the best service, quality, and efficiency we can.”

Part of the solution to bringing down health costs is to emphasize prevention as well as other cost-effective health interventions. According to the CDC, chronic diseases that are avoidable through preventive care services account for 75 percent of the nation’s healthcare spending, yet all too often, the incentives are wrong.

For example, colorectal cancer is one of the leading causes of cancer deaths, yet it is one of the few cancers that can be prevented with proper screening. A recent study finds more than 14,000 colon cancer deaths could be prevented every year if health care providers matched the screening and mortality rates of America’s highest-performing health systems.

We need to learn from these providers and remove barriers that prevent better performance, but we also need to examine Medicare reimbursement policies. Seniors covered by Medicare are eligible for colorectal cancer screenings without out-of-pocket costs; however, if a physician takes a further preventive action – such as removing a polyp – during the screening while the patient is under anesthesia, the patient is billed as if the procedure were a treatment rather than prevention. That’s why I cosponsored the “Removing Barriers to Colorectal Cancer Screenings Act” and am joining Senators Brown, Wicker, and Cardin in sending a letter to CMS encouraging the agency to remedy this problem.

The care of individuals with diabetes offers another lesson. Medicare will pay for amputations as a result of complications from diabetes, but the program often reimburses poorly for innovative programs that can help avoid these consequences. I recently joined with my Senate Diabetes Caucus Co-Chairman Jeanne Shaheen to expand Medicare coverage for diabetes self-management training sessions, where diabetes educators help train Medicare patients on how to manage their glucose, maintain a healthy weight, eat healthy foods, manage their insulin levels, and improve general care for their diabetes.

On the other end of the spectrum from prevention is the problem of inefficient and wasteful health care spending. According to the Institute of Medicine, spending in the United States on health care waste totaled approximately \$750 billion, or as much as 30 percent of our nation’s total health care spending.

Today, we will hear from witnesses who bring a variety of perspectives on how we can successfully achieve better value and quality in health care spending. Participating in innovative care models that align payment with quality and value, improving patient engagement and communication efforts, and deploying data to help both clinicians and patients manage chronic conditions, are all critical components to improving our health care system and reducing costs.