



# Affordable Care Act: Delivery System Reform in Medicare

## Improving the quality of care for Medicare beneficiaries

Currently, Medicare beneficiaries with a chronic disease such as cancer often receive health care services from multiple physicians and specialists who rarely coordinate care. This is not only frustrating for patients, who essentially have to understand how to access and navigate our complex health care system on their own, but it is also costly for the Medicare program. In fact, increased spending on chronic diseases among beneficiaries is a key factor driving overall spending growth in Medicare. Finding new ways to manage and treat illness, particularly for patients with chronic conditions such as cancer, is a critical step toward improving the quality of care delivered to Medicare beneficiaries.

### Fast Facts:

- Average Medicare spending for people with cancer is almost four times higher than spending for those without cancer
- Although cancer has not historically been considered a chronic disease, more and more cancer patients are living longer with their illness and receiving treatment that can last months and sometimes years
- Despite the fact that disease management and coordinated care programs have increased in the private sector, they have not been widely adopted in the Medicare program

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## **American Cancer Society Cancer Action Network (ACS CAN) supports delivery system reforms that promote more coordinated, high quality care.**

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### **Highlights of Medicare Delivery System Reform Initiatives in the Affordable Care Act**

- By January 1, 2011 the Secretary of Health and Human Services (HHS) is required to create a Center for Medicare and Medicaid Innovation (CMI) within the Centers for Medicare and Medicaid Services (CMS) to test new models for delivering care, including patient-centered medical homes and care coordination for individuals with chronic diseases.
- By January 1, 2011 the Secretary is required to develop a national strategy for improving health care quality that includes priorities for improving health care delivery.
- Beginning January 1, 2012 providers participating in Accountable Care Organizations (ACOs), which are groups of physicians and other practitioners formed to coordinate care for patients, will be eligible for bonus payments if they meet certain savings targets.
- By January 1, 2011 the Secretary is required to establish a 5-year chronic-care management program.

### **Implications for the American Cancer Society and ACS CAN**

- ACS CAN and the Society will support CMS in testing delivery system models that have the most potential to improve the quality of life of cancer patients.
- ACS CAN and the Society will actively work with Congress and CMS to ensure that delivery system reforms do not impede access to high-quality cancer care for Medicare beneficiaries.
- ACS CAN and the Society will work to ensure adequate oversight and accountability of these reform proposals to maintain cancer patients' access to quality care.