



Working Together for an Affordable Future

February 3, 2016

The Honorable Mike Kelly
U.S. House of Representatives
Washington, DC 20515

The Honorable Ron Kind
U.S. House of Representatives
Washington, DC 20515

Dear Representative Kelly and Representative Kind:

I write to express the support of the National Coalition on Health Care (NCHC) for H.R. 4275 the Medicare Advantage Quality Payment Relief Act of 2015. This important legislation will further encourage Medicare Advantage (MA) plans to deliver high-quality care to Medicare beneficiaries, by addressing a design flaw in the current cap on Medicare Advantage payment benchmarks.

NCHC is a coalition of health care stakeholder organizations committed to promoting an affordable, high-quality health system in the United States. As the nation's oldest and most diverse group working to achieve comprehensive health reform, we represent nearly 90 member organizations, including health care providers, purchasers, payers, and consumers. Collectively, our organizations represent, as employees, members, or congregants, more than 100 million Americans.

Under a provision of the 2010 Patient Protection and Affordable Care Act (ACA), Medicare Advantage plans with four or more stars under the STARS quality rating system are eligible for quality incentive payments, equal to five percent of their benchmark. Under MA rules, these payments can help finance additional enrollee benefits and cost-sharing improvements. However, the law also establishes a benchmark cap, whereby a plan's benchmark – including quality payments – cannot exceed the benchmark applicable under the pre-ACA methodology. As a consequence of this benchmark cap, 4, 4.5, and 5 star MA plans in the most efficient regions of the country are effectively denied the quality incentive payments, punishing the very plans that are leading the nation in providing efficient, high-value care to Medicare beneficiaries. This cap undermines Congress's ongoing efforts to promote value-based payment in Medicare. H.R. 4275 would fix this glitch, by excluding STARS quality incentive payments from benchmark cap calculations.

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and International Affairs,
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NCHC looks forward to working with you to advance this legislation. Should you have any questions regarding this letter, please contact NCHC's Policy Director Larry McNeely at lmcneely@nchc.org.

Sincerely,

A handwritten signature in black ink that reads "John Rother". The signature is fluid and cursive, with the first name "John" and last name "Rother" clearly legible.

John Rother
President and CEO