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## **HHS ANNOUNCES NEW INITIATIVE TO IMPROVE QUALITY OF CARE FOR MEDICARE BENEFICIARIES WITH CHRONIC ILLNESSES**

HHS Secretary Tommy G. Thompson today announced a new Medicare initiative to improve the quality of care for people living with multiple chronic illnesses by helping them manage their conditions and encouraging better coordinated care.

“This initiative will help hundreds of thousands of seniors and disabled Americans with chronic illnesses to stay healthier and receive higher quality care,” Secretary Thompson said. “Too often, seniors with serious chronic illnesses move from doctor to doctor for their specific health problems without any single doctor getting a full picture of their needs. This new program will give them the support they need to better manage their conditions and stay healthy.”

The initiative, known as the Voluntary Chronic Care Improvement Program, will reach about 150,000 to 300,000 beneficiaries who are enrolled in traditional fee-for-service Medicare and who have multiple chronic conditions, including congestive heart failure, complex diabetes and chronic obstructive pulmonary disease. It was authorized by the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 (MMA), the legislation that also added a prescription drug benefit to Medicare.

Beneficiaries who agree to participate will receive help in managing their conditions, following their physicians’ plan of care and ensuring that they know about, and can take advantage of, Medicare-covered benefits that will help to reduce their health risks. Similar strategies have been widely and successfully adopted across the health care system.

Chronic conditions are a leading cause of illness, disability, and death among Medicare beneficiaries and account for a disproportionate share of health care expenditures. For example, about 14 percent of Medicare beneficiaries have congestive heart failure but account for 43 percent of Medicare spending. About 18 percent of Medicare beneficiaries have diabetes, accounting for 32 percent of Medicare spending.

“This new program creates a new business platform that will encourage innovation in addressing deficiencies in chronic care in the fragmented fee-for-service health care delivery system,” said Centers for Medicare & Medicaid Services Administrator Mark B. McClellan, M.D., Ph.D. “The Chronic Care Improvement Program demonstrates this Administration’s commitment to improving and strengthening the traditional fee-for-service Medicare program. This program is designed to support and improve physician/patient relationships. Physicians will appreciate the timely, accurate information these services can provide.”

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To launch the new initiative, HHS' Centers for Medicare & Medicaid Services (CMS) is seeking innovative proposals from qualified organizations to run large-scale chronic care improvement projects to help beneficiaries with congestive heart failure, complex diabetes and chronic obstructive pulmonary disease. To qualify, organizations must have demonstrated success in population-based chronic care improvement services.

CMS will choose about 10 projects, each of which will serve about 15,000 to 30,000 beneficiaries in specific regions around the country over a three-year period. Each project will provide participating beneficiaries with information and support to help them better care for their conditions. In addition, organizations will work with physicians to ensure that the patient care is coordinated appropriately with other physicians. Elements of the projects that succeed in improving quality of care, reducing Medicare costs and promoting patient satisfaction could be expanded to reach more Medicare beneficiaries with chronic health conditions.

The chronic care improvement services will supplement the benefits already provided under fee-for-service Medicare. Beneficiary participation will be completely voluntary and will not affect beneficiaries' access to services or their ability to choose their doctors and other health care providers. Their Medicare benefits will not change as a result of receiving these additional services.

CMS, which will oversee the new program, will publish a notice in the April 23 Federal Register soliciting proposals from organizations to provide care support services for beneficiaries with multiple chronic conditions, including congestive heart failure, complex diabetes, and chronic obstructive pulmonary disease (COPD). More information, including the solicitation for the program, is available <http://www.cms.hhs.gov/medicarereform/ccip>.

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Note: All HHS press releases, fact sheets and other press materials are available at <http://www.hhs.gov/news>.