

Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Subcommittee on Oversight and Investigations Ranking Member Kathy Castor

Hearing on “MACRA Checkup: Assessing Implementation and Challenges that Remain for Patients and Doctors”

June 22, 2023

Thank you, Mr. Chairman, and thank you for holding today’s oversight hearing on the Medicare Access and CHIP Reauthorization Act, or MACRA.

Seniors and other patients receiving health care services through Medicare deserve our commitment to making sure that their care remains affordable, accessible, and high-quality.

MACRA was passed in 2015 with strong bipartisan support to resolve problems created by the sustainable growth rate formula that had frustrated Congress for years. MACRA attempted to replace that system with one that rewarded physicians for providing high-quality care rather than a high volume of care.

I appreciate the approach we are taking in today’s hearing of soliciting feedback from those who have direct experience providing care to Medicare beneficiaries and those who have studied the law’s impact over time.

The two new payment models established under MACRA were designed to shift away from the traditional Medicare fee-for-service reimbursements by creating incentives for physicians to provide more value-based care, as opposed to paying physicians based on volume of services.

The first payment model, the Merit-based Incentives Payment System, or MIPS, established performance bonuses or reductions for eligible physicians based on progress on a selection of metrics, including the cost and quality of the care they provide.

The second payment model in MACRA creates incentives for Medicare physicians to voluntarily participate in advanced Alternative Payment Models that include accountable care organizations or bundled payment structures for specialized care. These APMs must show economic efficiency and meet certain patient thresholds to qualify physicians for APM bonuses.

Both payment models have failed to meet their intended goals. Medicare Payment Advisory Commission, or MedPAC, has reported to Congress that MIPS does not accurately measure physician performance because the assessments for individual providers vary based on which metrics they choose to report. And not enough providers appear to be adopting APMs in the way that we had hoped when MACRA was passed.

To adequately pay physicians for improving quality of the care they provide to Medicare beneficiaries, we need to be confident that the measures we use to assess and compare performance are meaningful and incentivize physicians to participate in new payment models. The process of monitoring and improving current methods of assessing quality of care and Medicare physician payment systems is ongoing, and I hope that this hearing today is a productive part of those efforts.

The Centers for Medicare and Medicaid Services has launched initiatives to make further progress toward ensuring that Medicare beneficiaries are able to access excellent care when and where they need it. These include investing in greater participation in APMs that demonstrate patient benefits and cost savings to serve more patients, particularly in rural and other underserved areas. These are certainly policy pushes in a positive direction.

As MACRA has been in effect since 2017, this is an appropriate time to assess how the reforms have lived up to the original legislative goals and what we can learn from the experiences of doctors and patients in our communities.

That's why it is vitally important that we hear from various stakeholders and experts so any future policy discussions are centered around the broader goal of ensuring Medicare beneficiaries' consistent access to high-quality care.

I look forward to hearing the testimony today on this important issue that has implications for the more than 60 million beneficiaries who depend on Medicare for their health and wellbeing.

Thank you, Mr. Chairman. I yield back.