



FOR IMMEDIATE RELEASE
May 23, 2012

Contact: Communications Office
(202) 224-4515

BAUCUS LOOKS AT INNOVATIVE WAYS TO IMPROVE HEALTH CARE THROUGH PUBLIC-PRIVATE PARTNERSHIPS

Finance Chairman Sees Coordination as Path Forward to Use Medicare Dollars More Wisely

Washington, DC – In a Committee hearing held today, Senate Finance Committee Chairman Max Baucus (D-Mont.) looked at innovative methods from the private sector that can help Medicare improve patient care and lower costs to save taxpayer dollars. Those new methods reward doctors for the quality of care and improve coordination among primary care physicians, hospitals, specialists and Medicare. The best path forward, Baucus said, is to build strong partnerships between the public and private sectors to coordinate efforts and put the best ideas into practice on a large scale.

“We’re embracing innovative ideas from the private sector to improve Medicare and save taxpayer dollars,” Baucus said. **“In order to rein in costs and improve care, we need to embrace partnerships between the public and private sectors. Any idea to strengthen Medicare, keep patients healthier and lower costs is worth considering.”**

During the hearing, Baucus noted the progress made to that end in health reform, which created the Center for Medicare and Medicaid Innovation to work directly with the private sector. The Innovation Center, as it is commonly known, is partnering with the private sector to find new models of payment and delivery of care. It has already launched more than a dozen new projects involving more than 50,000 providers and almost every state in the country to test new payment models to reduce costs and make patients healthier.

Baucus also said that starting in October, Medicare will start paying more money to hospitals that get the best results for patients. Hospitals that produce poor outcomes will get less money, and hospitals will be penalized if patients are readmitted too often. Private insurers are also aligning with Medicare by moving to similar value-based payment systems with contracted hospitals.

###