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CMS Leadership: Insights on Value-Based Care

Applied Policy, a leading authority in health policy and regulation, proudly sponsors the Northern Virginia Health Policy Forum. The Forum brings together key thought leaders, government officials, and industry experts to discuss critical trends in American healthcare.

On May 22, 2024, the Forum hosted two leaders from the Centers for Medicare & Medicaid Services' (CMS) Center for Medicare and Medicaid Innovation (Innovation Center), Purva Rawal, PhD, Chief Strategy Officer, and Dilipan Sundaramoorthy, Special Assistant to the Chief Strategy Officer. The panelists discussed their work with value-based care, which aims to incentivize providers to deliver care that is coordinated, patient-centered, and high-quality. Dr. Rawal and Mr. Sundaramoorthy described the Innovation Center's efforts to integrate value-based programs into Medicare and Medicaid and their potential to improve health equity, health outcomes, quality of care, and the sustainability of the health system. Jim Scott, President and CEO of Applied Policy, led the discussion.

MEDICARE AND MEDICAID INNOVATION

The mission of the Innovation Center, as noted by Dr. Rawal, is to test value-based payment models that improve healthcare quality and reduce costs in the Medicare and Medicaid programs. The Innovation Center introduces models to shift from a healthcare system that reimburses based on the volume of care, or fee-for-service that reimburses based on fee schedule rates, to one that rewards the value of care provided. Dr. Rawal added that Innovation Center can be thought of as the "R&D component" in testing innovations in Medicare and Medicaid and that ideas for models may also be sourced from public input and expert suggestions.

According to Dr. Rawal, the Innovation Center's payment models are designed to improve patient care and help to ensure that people have access to high-quality care. During the last decade, the Center has tested more than fifty models. Model participants typically enroll voluntarily and can include physician practices, hospitals, groups of providers, health plans, state Medicaid agencies, and states. When providers want to participate in voluntary models, they apply and undergo a screening process. These voluntary models can lead to selection bias, where the providers wary of assuming financial risk leave the model and only those performing well remain enrolled. The federal statute determining whether models are successful relies on the model's capacity to reduce costs across the entire system, meaning selection bias can lead to less overall savings, poorer evaluation, and a decreased chance the model could be expanded. One way the Innovation Center has addressed these concerns is by pursuing mandatory models beginning in 2018, with the Transforming Episode Accountability Model (TEAM) and Increasing Organ Transplant Access (IOTA) model proposed most recently.

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STRATEGIC VISION

Both panelists discussed the Innovation Center's strategic refresh, undertaken in 2021, as the guide for the next 10 years. Mr. Sundaramoorthy described the vision, as defined by the refresh, "to drive a healthcare system that achieves equitable outcomes through high-quality, affordable, person-centered care. The five core objectives guiding the Innovation Center's implementation include driving accountable care, advancing health equity, supporting care innovations, improving access by addressing affordability, and partnering to achieve system transformation."

ACCOUNTABLE CARE ENROLLMENT GOALS

Dr. Rawal said that the Innovation Center is halfway to its goal of enrolling all Medicare beneficiaries and most Medicaid beneficiaries in accountable care relationships by 2030. To accomplish this goal, the Innovation Center launched the ACO Reach Model, and it has announced the Making Care Primary Model and ACO Primary Care Flex Model.

Efforts are underway to engage providers who have historically not participated in CMS models, including safety-net providers and those serving disadvantaged communities. As Mr. Sundaramoorthy noted, "The actual delivery of care is changing extremely rapidly these days. It's driven a lot, not just by government actors like us, but also [by] demand from patients and providers." He added that CMS frequently hears from providers and accountable care organizations, who say that models have reduced administrative burden, helped physicians focus on their patients, and limited burnout.

EFFECTIVE COMMENT LETTERS

Mr. Scott asked the panelists what components made a compelling comment letter that could influence CMS's thinking. The panelists suggested providing constructive solutions, alternatives, areas of improvement, and qualitative evidence. Surprisingly, they added that form letters can actually be effective, as they show the extent of interest in one area.

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This extract was prepared by Applied Policy®. The entire program can be found on our YouTube page.