CAPITOL STREET

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Center for Innovation Vision: Make America Healthy

MA Models, Drug Pricing, Site Neutral, CON, Rural Primary Care, Home Based Care

Relevant Companies ALL HEALTHCARE

Our Take & Next Up

CMMI will prioritize prevention (chronic disease), Medicare Advantage (MA), drug pricing, home-based care and other programs. Today CMMI provided its vision (here). Centers for Medicare and Medicaid Services leadership Dr Oz, CMS Administrator, and Abe Sutton, CMMI Director, discussed on a public webinar its outlook today. Costs (Medicaid & Medicaid) were cited as the need for systematic changes for Americans to stay healthy longer. *See three pillars below and our take on themes and specifics for the near term.*

Key Points

The CMMI vision includes three pillars, described below. Home-based care, data sharing, choice and flexibility are key themes.

1. **Evidence based prevention.** Prevention will be promoted in every model, and even tertiary impacts. There will be an emphasis on nutrition and physical activity, along with alternative medicine. If providers and plans have flexibility and patients have support, CMMI can & will promote delaying or halting disease, increasing time at home.
2. **Empower Americans to achieve health goals.** People need relevant, usable data to understand their health status and set realistic goals with healthcare providers**.** Mobile apps and data sharing are a key priority, as is coordinated care. Waivers may be provided for services, drugs and devices.
3. **Choice & competition in healthcare markets.** Incentives and flexibilities will be provided between MA, FFS Medicare and Medicaid. Patients will have more options for care and can engage new provider types, such as independent and rural practices, enabling home-based care. This will drive down costs.

Shared savings will be a theme in Medicare Advantage (MA) and elsewhere. CMMI will expand shared savings, increase high value health. Upside and downside provider risk models are preferred, with conveners taking on “less” of the risk.

MA Risk Adjustment & STAR Ratings are likely on the agenda. Taking a longer view of risk adjustment post V28 now that it is fully phased-in, as well as looking at more outcomes-based measures are likely on the agenda. Using outcomes-based models also aligns with the chronic disease and outcomes-based approach.

Site-neutrality will be explored as well as State-level reforms (CON mentioned). CMMI wants to avoid (unnecessary) burdens such as certificate of need (CON) laws. CMMI made the point in comments today through a CMMI webinar hosted by Deloitte, that it will "avoid rate-setting."

Value-based care will continue, with upside and downside risk models. CMMI will update existing and implement new models to incorporate waivers. The agency will test models in MA on Medicaid. The drug space will be explored, along with healthcare technology & medical devices.

We have said (here) that we expect (1) longer term models (~10 years) to fully test quality & cost savings (2) mandatory models as they achieve cost savings that may be embedded in annual regulations (IPPS, Physician Fee Schedule) vs 1-3 year CMMI models and (3) models involving Medicare Advantage (MA) risk adjustment, chart reviews and HRAs (4) Drug models (Most Favored Nation) as well as others. Recall CMS canceled four models in March: (a) Making Care Primary, (b) Primary Care First, (c) Maryland Total Cost of Care & (d) ESRD ETC Model (the Kidney Care model, aka the ACO Reach of CKD, still lives on).

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