



New Report:

How CMS Can Implement More Successful Alternative Payment Models

In September, CMS Administrator Seema Verma announced that she plans to lead the Center for Medicare and Medicaid Innovation (CMMI) in a new direction, and she asked the public for ideas on what that direction should be. A new report (November 2017) from the Center for Healthcare Quality and Payment Reform, *Accelerating Payment Reform in Medicare: How CMS Can Implement More Successful Alternative Payment Models More Quickly*, describes the reasons why progress at CMMI has been so slow and what should be done about it.

In 2010, Congress created CMMI to help Medicare move away from fee-for-service payment and gave it both the statutory authority and the financial resources needed to rapidly develop and implement a wide range of truly innovative alternative payment models. However, after more than seven years and more than \$5 billion in spending, only five payment models have been created by CMMI that meet the requirements established by Congress for Alternative Payment Models (APMs), and only one of the models tested by CMMI has been expanded nationally. The slow progress in implementing successful APMs means that each year, millions of Medicare beneficiaries are being denied the opportunity to receive higher-quality care and the Medicare program is spending billions of dollars more than is necessary.

As explained in detail in the report, there are three key problems with the approach CMMI has used to date for developing and testing Alternative Payment Models:

- Most of the APMs being tested don't solve the problems with fee-for-service payment.
- Too few physician-focused payment models are being tested.
- The CMMI testing process is slow, burdensome, expensive, and discourages significant innovation.

Details on the recommendations are available in *Accelerating Payment Reform in Medicare: How CMS Can Implement More Successful Alternative Payment Models More Quickly*.