

Congress of the United States
Washington, DC 20515

November 20, 2017

Administrator Seema Verma
Centers for Medicare & Medicaid Services
U.S. Department of Health & Human Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Administrator Verma:

We write today to thank you for your engagement and request for information from stakeholders to determine the future direction for the CMS Innovation Center to better promote patient-centered health care and test new delivery and payment models. It is imperative that we further explore new and innovative strategies to improve value in all aspects of our health care system. Specifically, we take this opportunity to comment on the agency's focus area of increased participation in Advanced Alternative Payment Models (APMs).

Some of the most promising activity in Medicare over the past few years has been the emergence of integrated care delivery models, including through Accountable Care Organizations (ACOs). Providers across the country participating in ACOs have made substantial progress in improving quality and lowering costs in the Medicare program; however, it is important to forge ahead with new and improved integrated care delivery models that hold providers accountable for population health management and total cost of care under prospective, global payments.

In order to make health care affordable and accessible for everyone we must first ensure that all of the components that make up the health care delivery system efficiently provide care to all patients. Prospective, global payments advance this concept and will facilitate a reimbursement model where all providers are accountable for providing better care for a patient's total health care needs. This innovative model will also introduce choice for patients who may want to access all of their health care needs under one accountable entity, unlike in traditional fee-for-service Medicare. For providers, this option will introduce flexibility, accountability, and the freedom to manage a population's health while driving efficiencies, and most importantly, better patient outcomes.

We urge the Innovation Center to test a Global Payment ACO model, which would add a prospective, capitated payment model to the Medicare ACO portfolio. It builds on the evolution of ACO programs by allowing providers to take on higher levels of risk in order to better coordinate patient care and improve health outcomes across all care settings. The model would include:

- Prospective, capitated payments from CMS to Patient Care Networks (PCNs) consisting of provider organizations coming together to manage the total health needs of a defined population.

- CMS contracting directly with a PCN to hold such providers accountable for high quality, efficient care under Medicare Part A and Medicare Part B, at a minimum.
- Allowing PCNs to fully accept both upside and downside risk associated with managing a Medicare population's total cost of care, not just sharing in the savings.
- Active beneficiary enrollment as an option, combined with the prospective attribution model currently used in the Next Generation ACO model.
- The PCN must have a sufficient number of participating Medicare beneficiaries in order to be scalable and sustainable from both a financial and clinical risk perspective.
- Robust performance measurement on quality and cost efficiency, as well as beneficiary protections with respect to access to providers, network adequacy, appeal rights, and out-of-pocket cost limits.

We appreciate your consideration and look forward to working with you on promoting better quality care and delivery system reform within the health care system.


Sincerely,




Mike Kelly
Member of Congress



Bill Cassidy, M.D.
U.S. Senator



Ami Bera, M.D.
Member of Congress



Tom Carper
U.S. Senator