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## APG COVID-19 Urgent Alert

### June 3, 2020

## CMS Announces Adjustments to Innovation Center Models

The Centers for Medicare and Medicaid Services (CMS) [announced](#) adjustments to various Innovation Center models of care in due to the ongoing COVID-19 public health emergency. As outlined in a [blog](#) from CMS Administrator Seema Verma, models such as Bundled Payments, Direct Contracting, Medicare Track 1+ and Next Generation ACOs were all extended flexibilities related to financial methodologies, quality reporting, and timelines. **APG is pleased that its advocacy efforts** to continue the transformation of the healthcare system from volume to value and away from fee-for-service has been recognized by CMS and is reflected in the flexibilities offered by the agency. Outlined below are some of the new flexibilities offered within specific programs:

#### Direct Contracting (Global and Professional)

- Delay start of the first Performance Period to April 1, 2021
- Second cohort to launch January 1, 2022 with application cycle created in 2021
- Adjust model to reflect change in duration of 2021 Performance Period due to April 1, 2021 start
- Adjust quality benchmarks, if necessary, to reflect change in duration of 2021 Performance Period due to April 1, 2021 start

#### Medicare ACO Track 1+ Model

- Voluntary election to extend agreement for 1 year through December 2021
- Remove episodes of care for treatment of COVID-19

- Medicare Shared Savings Program Extreme and Uncontrollable Circumstances policy applies to 2020 financial reconciliation
- 2019 Web Interface quality measure reporting deadline extended from March 31, 2020 to April 30, 2020
- Medicare Shared Savings Program Extreme and Uncontrollable Circumstances policy applies to 2019 and 2020 reporting
- Continue to monitor impact on 2020 quality reporting

#### Next Generation ACO (NGACO)

- Extend model through December 2021
- Reduce 2020 downside risk by reducing shared losses by proportion of months during the PHE
- Cap NGACOs' gross savings upside potential at 5% gross savings
- Remove episodes of care for treatment of COVID-19
- Use retrospective regional trend, rather than prospective, for 2020
- Remove 2020 financial guarantee requirement
- 2019 Web Interface quality measure reporting deadline extended from March 31, 2020 to April 30, 2020
- 2019 quality audit canceled
- Continue to monitor impact on 2020 quality reporting

#### Bundled Payments for Care Improvement Advanced

- Option for Participants to eliminate upside and downside risk by excluding Clinical Episodes from Reconciliation for Model Year 3 (2020)
- For BPCI-Advanced Participants that choose to remain in two-sided risk, exclude certain Clinical Episodes from Reconciliation with a COVID-19 diagnosis during the episode

APG will continue to monitor policies throughout the COVID-19 pandemic and keep you up-to-date on all developments. We will be discussing these in more detail at our APM committee on June 23 at 1pm EST.

If you have any additional questions, please email me at [VRutledge@apg.org](mailto:VRutledge@apg.org)

We are here to serve as a resource for you. Please don't hesitate to contact me [here](#) with any questions you may have or any situations within your practice that you want me to be aware of.

You can find more resources on our [COVID-19 web page](#). As always, please know that we are in constant contact with federal and agency officials and will share any additional news with you as soon as possible.

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