AMERICA'S PHYSICIAN GROUPS

Taking Responsibility for America's Health

March 4, 2021

Elizabeth Fowler
Deputy Administrator & Director
Center for Medicare & Medicaid Innovation
U.S. Department of Health & Human Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Deputy Administrator Fowler:

America's Physician Groups (APG) applauds the Centers for Medicare and Medicaid Services (CMS) for its years long efforts in promoting value-based care and the transition from volume to value. APG and its member organizations have been highly anticipating the upcoming launch of the Direct Contracting Model and its Global and Professional Options. We are very invested in seeing direct contracting succeed as an alternative payment model and helping to move healthcare away from volume and toward value. However, the recently announced delay in the application process and subsequent launch of the model has presented both our organization and our members with various concerns and a need for clarity.

About America's Physician Groups

APG is a national professional association representing over 300 physician groups that employ or contract with approximately 195,000 physicians that provide care for nearly 45 million patients. Our tagline, "Taking Responsibility for America's Health," represents our members' vision to move away from the antiquated fee-for-service (FFS) reimbursement system where clinicians are paid "per click" for each service rendered rather than on the outcomes of the care provided. Our preferred model of capitated , risk based, and coordinated care avoids incentives for the high utilization associated with FFS reimbursement. APG member organizations are also working diligently to rise to the challenge presented by the COVID-19 pandemic and we appreciate the flexibilities and waivers CMS has afforded us during this time of crisis.

Summary of Recommendations

- **Maintain the April 1, 2021 Direct Contracting Model start date**
- **Open the portal or announce the timeline for 2022 application submission**
- **Release of claims files, attribution files and benchmarks, and the Participation Agreement ASAP**
- **Extend implementation flexibilities through end of year that will allow direct contracting entities to continue voluntarily aligning patients if they decide to delay participation**

Comments

Our members have been heavily anticipating the Direct Contracting Model and are excited about the potential that the Model offers both providers and the beneficiaries. Below are some of the features that we believe are advantageous in the GPDC model as opposed to MSSP.

1. The capitated payments in GPDC allows for claims payment which allows us to create functional relationships across the continuum with providers who our patients access. When we are able to change the payment system to be based on value and not FFS we can move to achieving the triple aim much quicker.
2. Voluntary Alignment and Prospective + allowing patients to enter each quarter which is important for those turning 65 and patients new to the practice. In addition, CMMI seems to be allowing more flexibility in terms of the method used for voluntary alignment.
3. Quality is all claims or CAHPS in GPDC – which is vastly simplified over MSSP. It takes significant time to collect MSSP data that is EMR based. If they do move MSSP to forced reporting through eCQM it will be incredibly expensive and restrict providers who are not on the more standardized expensive EMRs.
4. GPDC Prospective Benchmark based on prospective trend provides certainty to Providers regarding the cost of care target that they need to manage compared to the Retrospective Med FSS trend applied for MSSP.
5. The regional weight is more transparent in GPDC and grows from 35% to 50% over the span of 5 years, and this ramp is slightly faster than MSSP, and hence appropriately rewards ACOs that manage cost-util better than the region.
6. GDC is 100% global risk, allowing Participating Providers to keep a larger percentage of the value they create.
7. The reference year for the 3% risk adjustment cap in GPDC rolls forward through model term, which better accounts for shifts over time in patient complexity and cost
8. Longer model term (six years for PY1 participants) allows for longer time horizon to show improvement over fixed historical benchmark (2017-2019)
9. High Needs DCE and its Concurrent Risk Adjustment methodology allows providers the time to accurately reflect the Risk Acuity of these patients, and appropriately rewards Providers for managing the complexity of care needs for this population. This feature is not available in MSSP.
10. The Claims based alignment using TIN-NPI in GPDC provides flexibility to a Practice to determine which Providers would participate in an ACO versus the TIN based all or nothing approach in MSSP

Participating providers and organizations have also made extensive financial investment in preparing for the launch of the model, with some of our member groups **exiting from other models like CPC+ and Next Gen** as well as preemptively managing patients as if they have already been attributed to their practices. As organizations make these plans to ensure the success of the Direct Contracting Model, it is important that they are provided with the necessary information and clarity on timelines for implementation so that the Model can be as successful during its launch as possible. Many healthcare organizations who have been preparing for the launch of the Model have noted that the official status of its April 1, 2021 launch date has remained unclear in the wake of cancellation of upcoming webinars as well as the portal for 2022 applications not having been opened.

In order to facilitate the necessary preparation and investments required for participation in the model, **we ask that CMMI formally make a declaration that the Direct Contracting Model's start date has not been delayed from its original April 1, 2021 date**. Making an official announcement will provide participants with much needed clarity and allow for the requisite planning for success. Similarly, **an official announcement outlining the timeline for 2022 applications for participation in the Model and the release of claims and attribution files, benchmarks, and the participation agreement** will allow both prospective participants and those who have already agreed to participate in the Model to make additional preparations that fit new timelines factoring in the changes resulting from the decision to delay. Lastly, **CMMI should also consider extending current implementation flexibilities through the end of the year in order to allow direct contracting entities to continue to voluntarily align patients, even for entities that wouldn't enter the Model until January 1, 2022**. Allowing this continued flexibility would

assist those new participants that need additional time to meet the requirements of participation (e.g. the 1,000 beneficiaries requirement) and ensure that they are also able to embark upon the Model from the strongest vantage point possible.

The successful launch of the Model will ensure its long-term stability and viability and strengthen its benefits for patients and providers alike. CMMI has been an invaluable partner in the development of the Direct Contracting Model and we appreciate the investment the agency has made to ensure its success. Providing these entities with certainty regarding the Model and ensuring that it is ready to move forward as seamlessly as possible when ready will avoid any added undue burden for healthcare providers in these already uncertain times and continue to move the healthcare system down the path of providing high quality care at a lower cost and away from the fee-for-service model.

Thank you for your attention to our concerns. We look forward to continuing to work with you throughout this process. Please feel free to contact Valinda Rutledge, Executive Vice President, Federal Affairs, (vrutledge@apg.org) if you have any questions or if we can provide any assistance as you consider these issues.

Sincerely,

Donald H. Crane
President and CEO
America's Physician Groups

Additional DCE Signatories
Arizona Health Advantage
BMG Senior Care Direct
COPC Senior Care Direct
Iora Health NE DCE, LLC
Landmark Primary Care, LLC
Ohio Senior Care Direct
Paradigm Senior Care Direct
Preferred Senior Care Direct
Premier Senior Care Direct
VillageMD Georgia ACO, LLC
VillageMD Houston ACO, LLC
VillageMD Michigan ACO, LLC
VillageMD New Hampshire ACO, LLC
VillageMD of Northeast Ohio, LLC (dba VillageMD Arizona ACO)
VillageMD Primary Providers ACO, LLC