



CMMI's Bundled Payment Experience: How the Past is Influencing the Future

June 9, 2016

Pamela Pelizzari, MPH
Healthcare Consultant
Milliman

Erin Smith, JD
VP, Policy and Government
Affairs
naviHealth

Introductions

- Erin Smith, JD
 - Formerly Director of the Division of Technical Model Support within the Patient Care Models Group, Center for Medicare and Medicaid Innovation
 - Departed in early 2015
 - Currently VP of Policy and Government Affairs at naviHealth
- Pamela Pelizzari, MPH
 - Formerly Technical Advisor for the Patient Care Models Group, Center for Medicare and Medicaid Innovation
 - Departed in late 2014
 - Currently Healthcare Consultant at Milliman New York
- Models developed and implemented
 - Bundled Payments for Care Improvement models
 - Oncology Care Model
 - Strong Start
 - Other specialty physician models as yet unannounced / never implemented

Background on the Center for Medicare and Medicaid Innovation (CMMI)

- Established by section 1115A of the Social Security Act (as added by section 3021 of the Affordable Care Act)
- Created for the purpose of testing “innovative payment and service delivery models to reduce program expenditures...while preserving or enhancing the quality of care” for those individuals who receive Medicare, Medicaid, or Children’s Health Insurance Program (CHIP) benefits
- Authority to expand the scope and duration of a model being tested through rulemaking.
 - In order to exercise this authority, the model must either reduce spending without reducing the quality of care, or improve the quality of care without increasing spending; and must not deny or limit the coverage or provision of any benefits.
 - These determinations must be made based on evaluations performed by CMS and the certification of CMS’ chief actuary with respect to spending.
- \$10 billion apportioned to CMMI for activities initiating in FY 2011 – 2019, with the promise of an additional \$10 billion for each decade beginning in FY 2020

Citation: <https://innovation.cms.gov/about/index.html>

CMMI – Official Priorities

CMMI is currently focused on the following

Testing new
payment and
service delivery
models

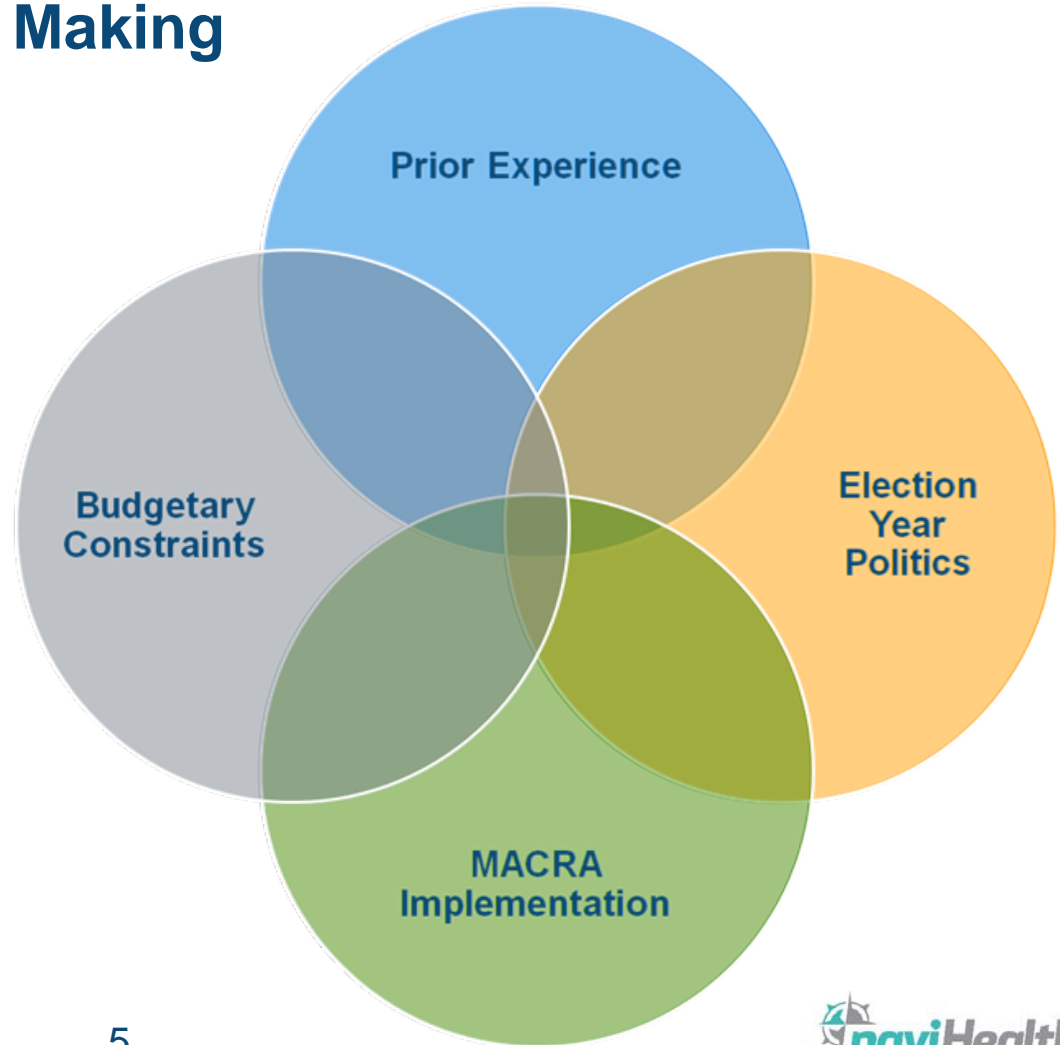
Evaluating results
and advancing best
practices

Engaging a broad
range of
stakeholders to
develop additional
models for testing

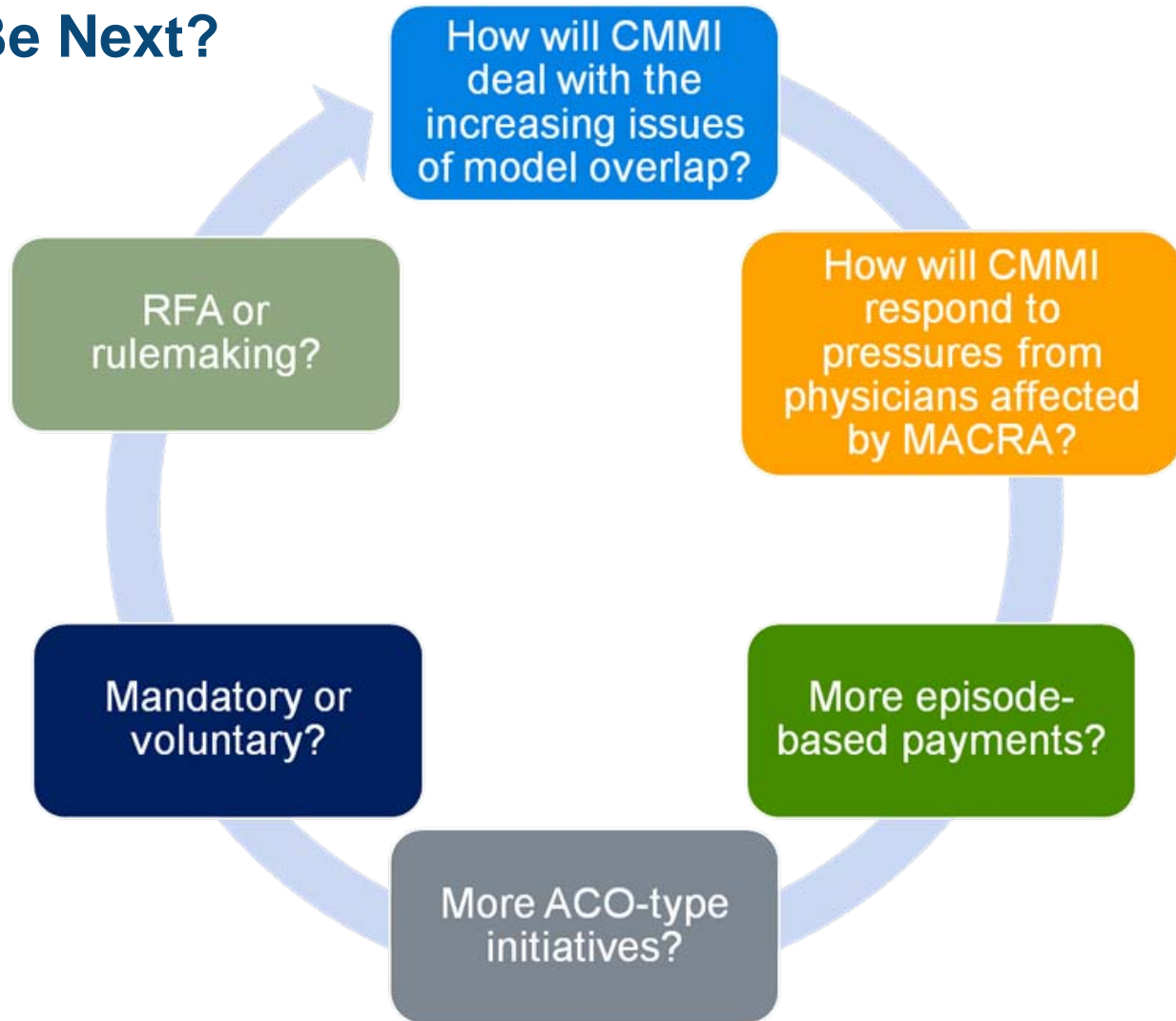
Citation: <https://innovation.cms.gov/about/index.html>

CMMI – Drivers of Decision Making

- Key drivers that inform CMMI decisions for future model development
 - Experience from testing models
 - MACRA implementation
 - Election year politics
 - Budgetary constraints



What Will Be Next?



Questions & Comments

Pamela Pelizzari Pamela.Pelizzari@Milliman.com

Erin Smith ESmith@navihealth.us