**Medicare Red Tape Relief Project**

Submissions accepted by the Committee on Ways and Means, Subcommittee on Health

Date: August 25, 2017

Name of Submitting Organization: Physicians Advocacy Institute

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Statutory ✓

Regulatory

**Please describe the submitting organization’s interaction with the Medicare program**: PAI is a not-for-profit advocacy organization focused on securing fair and transparent payment for physicians. PAI’s Board is comprised of CEOs/former CEOs of state medical associations from California, Connecticut, Georgia, Nebraska, New York, North Carolina, South Carolina, Tennessee and Texas and a Kentucky physician. A significant portion of the members of these and other states’ medical societies treat Medicare patients and submit claims to Medicare.

**Short Description:** Mandatory Center for Medicare and Medicaid Innovation (CMMI) demonstrations do not take into account the specific needs of physicians and their practices, and can result in Medicare beneficiaries losing access to their preferred providers or course of treatment.

**Summary:** CMMI is charged with testing and evaluating healthcare payment and service delivery models with the goal of increasing quality while reducing program expenditures. In its first years of operation, CMMI implemented voluntary, smaller-scale models that allowed physicians and other providers to participate when their practice, specialty, and patient population was well-equipped to effectively participate (for example, an accountable care organization (ACO) or certain type of bundled payment model). We believe this type of collaborative, provider-led approach is consistent with the statutory intent of CMMI and can help deliver higher quality, lower-cost care to beneficiaries.

Beginning in late 2015, however, CMMI began launching mandatory payment models, where providers are forced to participate in new payment and delivery structures based solely on their geographic location. These models changed the way certain services and drugs are covered and reimbursed, which impacted how and whether physicians subject to these models could treat their Medicare patients. The demonstrations forced many patients lose access to their providers and/or preferred course of treatment, running afoul of CMMI’s goal of reducing costs while maintaining or enhancing the quality of care. Although the CMMI statute is silent as to whether CMMI can launch mandatory models, we do not believe CMMI should be authorized to subject physicians and their Medicare patients – some of the oldest and sickest patients in the nation – to new reimbursement models and care delivery rules without their consent.

PAI applauds this Administration for taking steps to limit the impact of the mandatory CMMI models launched in 2015-2016. We support CMS’ recent proposal to further delay the implementation of the mandatory Comprehensive Care for Joint Replacement Model, as well as its proposed cancellation of the mandatory Episode Payment Models and a Cardiac Incentive Payment model that were scheduled to begin in January 2018. We especially commend CMS’ recent statement that it expects CMMI to “increase opportunities for providers to participate in *voluntary initiatives* rather than large mandatory episode payment model efforts.” To further ensure that physicians are not subjected to such “large mandatory” demonstrations, we believe the CMMI statute should be amended to clarify that CMMI models can only be administered on a voluntary basis.

**Proposed Solution:** The CMMI statute should be amended to clarify that all demonstrations must be voluntary for physicians.