

Creating an Optimal Environment for Quality Healthcare for Individuals, Families, and Communities

## Update on the Medicare Value-Based Strategy

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COMMUNITIES

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INDIVIDUALS





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### **AGENDA**

- The Medicare Value-Based Strategy
  - Introduction
  - Recent Progress
  - Future Vision
- Discussion Questions





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# The CMS Value-Based Strategy for Medicare

**Progress and Future Vision** 



# Introduction: Medicare plays a key role in transitioning the health care system away from fee-for-service

- The Shared Savings Program has saved the Medicare Part B Trust fund approximately 6 billion dollars over the past five years while achieving higher quality ratings.
- CMS' goal to have 100 percent of feefor-service beneficiaries in accountable care relationships started with the 2021 Innovation Center Strategic Refresh.
- In Medicare Advantage (MA), CMS is seeing increasing number of payments to providers in risk-bearing valuebased arrangements.
- The CMS National Quality Strategy reinforces quality as integral component of value.



## The Medicare Value-Based Strategy

In 2022, CMS outlined a cohesive Value-Based Care strategy for Medicare along three inter-related pillars: Alignment, Growth, and Equity.

<u>Update On The Medicare Value-Based</u>
<u>Care Strategy: Alignment, Growth, Equity</u>
| Health Affairs

### Alignment

 Aligning key aspects of value-based arrangements across CMS can set the stage for broader synchronization of our health system and move health care providers to higher levels of delivery system transformation.

### Growth

 Growth of accountable care relationships in both Traditional Medicare and MA can improve quality and increase savings for Medicare program by promoting innovative care delivery that better provides whole-person care.

### Equity

 Value-based arrangements in Medicare can be an important tool for health equity--by encouraging the movement of care upstream to address health-related social needs and disparities that can lead/exacerbate poor health outcomes and providing resources to deliver care to underserved populations.

# Recent Progress: CMS Has Made Key Advancements in These Areas Within Medicare Programs Center for Clinical Standards and Quality

### Alignment

 Aligning the Universal Foundation quality measures in Primary Care MIPS\* Value Pathways (MVPs) and the APM\* Performance Pathway (APP) measure set.

### Equity

 Finalized health equity adjustment that incentivizes providing high quality care to underserved populations by providing an adjustment to an ACO's\* quality performance category score in the Shared Savings Program.

### Growth

 MVP reporting in the Quality Payment Program (QPP) began in 2023; 16 MVPs (sets of focused measures) available for reporting in 2024 will allow more meaningful quality measurement.



# Recent Progress: CMS Has Made Key Advancements in These Areas Within Medicare Programs Center for Medicare

### Alignment

- Solicited comment on incorporating the Universal Foundation in the Shared Savings Program.
- Inclusion of the Universal Foundation set in Medicaid Core Sets and the Marketplace Stars Program.

### Equity

- Increased Medical Loss Ratio (MLR) data requirements to collect more detailed information on spending on for supplemental benefits.
- Expanded data collection for Medicare
   Advantage plans to report beneficiary-level
   data on the use of supplemental benefits.

### Growth

19 new Accountable Care Organizations
 (ACOs) are participating in the Shared Savings
 Program as a result of advance investment
 payments available for new, smaller ACOs
 caring for underserved populations.

# Recent Progress: CMS Has Made Key Advancements in These Areas Within Medicare Programs CMS Innovation Center

### Alignment

- CMMI model coding and payment for community health integration and principal illness navigation scaled into the Physician Fee Schedule.
- Using to data to drive alignment by sharing "shadow bundles" to ACOs\* to support better management of episodic care.

#### Growth

 The Making Care Primary (MCP) model launching to increase numbers of primary care providers in VBC\* and beneficiaries in accountable care relationships.

### Growth, continued

 Increased number of beneficiaries in accountable care relationships through growth in the REACH\* model.

### Equity

- Social risk adjusted payments and SDOH\* screening/reporting included in all new models (REACH, MCP, GUIDE\*, etc.).
- Better data collection in VBID\* model to track impact on beneficiaries of greatest need.
- Increased #'s of Federally Qualified Health Centers, Rural Health Clinics/CAH\* in REACH.

<sup>\*</sup>ACO: Accountable Care Organization; VBC: value-based care; REACH: Realizing Equity, Access, and Community Health; SDOH: Social Determinants of Health; GUIDE: Guiding an Improved Dementia Experience; CAH: Critical Access Hospitals

# <u>Future Vision</u>: Areas of Focus to Continue Progress on the Medicare Value-Based Strategy (1 of 2)

### Alignment

- Continuing to move towards Universal Foundation implementation.
- Enhanced ACO\* and practitioner ability to request data from multiple payers.
- Additional data transparency in Medicare Advantage.
- Scaling successful features of CMS Innovation Center models into Medicare and disseminating learnings.
- Working to distribute more quality and cost data on specialist performance to support whole-person care.



# <u>Future Vision</u>: Areas of Focus to Continue Progress on the Medicare Value-Based Strategy (2 of 2)

#### Growth

- Driving value by focusing on reporting relevant MIPS Value Pathways.
- Encouraging growth from ACOs\* serving high risk and high cost populations.
- Additional time in one sided models for new ACOs to gain experience and success.
- Exploring SSP\*-based primary care model test, pathways for advanced primary care.
- Considering how to scale of effective components of ACO REACH into the Medicare SSP.

### Equity

- Examining flexibilities in value-based care to directly address social needs.
- Continued innovations in social risk adjustments in Innovation Center models and SDOH screening/reporting.



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## Discussion Questions

How can we continue to advance our priorities of Alignment, Growth, and Equity in Medicare?



### Alignment

• How can we align the key aspects of value-based arrangements across CMS to encourage movement towards accountable care and participation in more advanced payment models?

### Growth

• What are the biggest barriers to participation in accountable care and what can CMS do to remove those barriers?

## **Equity**

• How do we ensure that we increase access to high value healthcare to those who are most in need?