Payment Models

CMS Payment Models: Are Payment Models Delayed ... or, Gone Forever?

A review of payment models under CMS' Center for Medicare and Medicaid Innovation (CMMI) is quietly under review to decide if they will be implemented. The pause or delays are under the direction of new leadership Director, Liz Fowler.

PRIMARY CARE FIRST DELAYED

A review of the Primary Care First payment model's seriously ill population is under review by CMMI. The payment model was slated to start April 1, but is delayed.

The goal of the model is to improve care for the seriously ill patient population covered by Medicare that do not have a primary care practitioner or care coordination.

GLOBAL AND PROFESSIONAL DIRECT CONTRACTING MODELS PAUSED

CMMI developed the Global and Professional Direct Contracting to advance risk-sharing arrangements that pays providers based on spending and quality measures for an entire geographic region. Participants would be responsible for the total cost of care for a portion of Medicare fee-for-service beneficiaries in a specific region. A direct contracting entity such as an ACO would partner in risk-sharing arrangements with health-care partners and community organizations to coordinate care. The plan was to transition existing ACOs to the new model. That is no longer an option.

53 entities began participating in the first performance year (April 1, 2021-December 31, 2021). CMMI announced it will not be accepting new applications for any of the GPDC Model participant types, including for Medicaid Managed Care Organization-based DCEs. It also

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announced it will not solicit applications for a second round of participants to start the GPDC Model on January 1, 2022.

COMMUNITY HEALTH ACCESS AND RURAL TRANSFORMATION RFA MODEL: IS IT A SHORT-TIME SETBACK?

The Community Health Access and Rural Transformation model known as (CHART) release date has been pushed back from spring 2021 to spring 2022.

Under the ACO Transformation Track, the rural-focused ACO (RFA) is able to receive a one-time upfront payment of at least \$200,00 plus \$36 per beneficiary to participate in a five-year agreement period of the Shared Savings Program through the CHART model.

PART D PAYMENT MODERNIZATION MODEL GONE

CMMI began the Part D Payment Modernization Model in January 2020 to test how changes in Part D benefit design and incentives would affect overall Part D prescription drug spending and beneficiary out-of-pocket costs.

CMS is not moving forward with two with two major proposed changes to the Part D Payment Modernization Model.

Set to take effect in 2022, the two changes offered insurers greater formulary flexibilities. One change would have allowed Part D plans to place just one drug per drug class instead of the required two. Another change would have allowed Part D plans to treat five of the six protected drug classes.