

Center for Medicare and Medicaid Innovation Launches Website

On March 21, 2011, the Center for Medicare and Medicaid Innovation (the Innovation Center) hosted a teleconference to discuss its new website and future plans and activities. The Innovation Center has been funded with \$10 billion to invest in providers that participate in certain innovative pilot projects. Innovative providers that are looking to get ahead of the curve should take advantage of the opportunities offered through the Innovation Center.

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Background

The Patient Protection and Affordable Care Act (PPACA) introduced a number of demonstration and pilot projects to spur the change necessary to reform the health care system. In addition to accountable care organizations and program initiatives such as value-based purchasing, PPACA created the Innovation Center and provided it with \$10 billion to invest in certain projects that would help initiate payment and delivery system reforms. Although the Innovation Center has yet to reach the same fame as the accountable care organization or the medical home, many experts believe that the Innovation Center is central to PPACA's success. Specifically, the Innovation Center is tasked with testing and evaluating innovative payment and delivery system reform models to determine if such models reduce costs and maintain or improve the quality of care. If models prove successful, the Secretary of Health and Human Services (Secretary) has the authority to expand the scope and duration of such models through rulemaking, including implementation on a nationwide basis to cover the entire Medicare, Medicaid and/or Children's Health Insurance Program (CHIP) populations.

The Innovation Process

During the teleconference, representatives from the Innovation Center made it clear that the Innovation Center is seeking to be as agile as possible. Accordingly, the Innovation Center has developed a process that will allow for rapid testing, improvement, termination and/or dissemination of acceptable models. The Innovation Center's process will involve: (1) soliciting ideas for new payment and service delivery models; (2) selecting the most promising models; (3) testing and evaluating the models; and (4) spreading successful models.



Solicit Ideas for New Models

The Innovation Center acknowledges that the most challenging aspect of its job will be to obtain new innovative ideas that are supported by evidence of success. Accordingly, the Innovation Center is actively seeking input from innovative providers by capturing ideas through web submission forms; convening open door forums and listening sessions; and providing opportunities for comment and suggestion on specific models through the Innovation Center's website. The Innovation Center will then publish abstracts of all submitted ideas to foster innovation and encourage communication.

Select and Develop Models

The Innovation Center will review models that have been submitted and evaluate such models against the Innovation Center Portfolio Criteria. Such Criteria favor models that deliver better care at reduced costs and:

- Have the greatest possible impact on Medicare, Medicaid and CHIP beneficiaries and the ability to improve how care is delivered nationally;
- Address the priority areas in the National Quality Strategy;
- Focus on health care conditions that offer the greatest opportunity to improve care and reduce costs;
- Meet the needs of the most vulnerable and address disparities in care;
- Improve existing Medicare, Medicaid and CHIP payments to promote better outcomes and patient centeredness;
- Are relevant across diverse geographic areas and states;
- Involve major provider types;
- Engage broad segments of the delivery system;
- Balance short-term and long-term investments;
- Are structured at a scale and scope that is consistent with the evidence; and
- Are consistent with Innovation Center and Centers for Medicare and Medicaid Services (CMS) capacity.



Although the Innovation Center acknowledges that models will not meet all of the Criteria, it will focus on models that meet most of the Criteria.

Test and Evaluate Models

Once a model is selected, the Innovation Center will solicit partners to test the model through mechanisms such as issuing a competitive Innovation Partnership Opportunity (IPO). An IPO may include requests for applications, requests for proposals or other tools that have not yet been identified. Although the specific process may vary, the Innovation Center anticipates that the process will be: open and transparent; allow the Innovation Center to share information regarding expectations; and rely on stakeholder expertise and community engagement to select qualified partners. The Innovation Center has indicated that it will work closely with those providers that are chosen to participate and rigorously evaluate the success of such projects. Such evaluation will focus on whether the model meets the three-part goal of (1) improved population health; (2) improved patient experience of care; and (3) reduced costs associated with such care. As part of the Innovation Center's rapid learning model, the Innovation Center will work quickly to make any changes and/or adjustments within projects once they have been implemented.

Spread Models

As mentioned previously, the Secretary may expand successful models that meet the cost and quality tests to the entire Medicare, Medicaid and/or CHIP Program. This will allow CMS to speed the expansion of successful payment and delivery models. In addition, the Innovation Center has indicated that it will employ a number of other methods for taking best practices to scale, including: sponsoring structured learning activities; partnering with states, the private sector and local communities; publicly reporting results; publishing results in peer-reviewed and other journals; and hosting an electronic community of innovators through the Innovation Center's website.

Innovation Center Focus

Currently, the Innovation Center has three major areas of focus: (1) patient care models that ensure that patients receive the right care at the right time, in the right setting; (2) seamless coordinated care models; and (3) models that focus on community and population health. Ultimately, the Innovation Center envisions



having a broad portfolio of both long-term and short-term projects that will improve care and reduce costs. During the teleconference, representatives from the Innovation Center indicated that they are the most interested in models that meet the criteria above that will also: (1) complement accountable care organizations and/or involve medical homes; (2) address dual eligible beneficiaries; (3) focus on patients with multiple chronic conditions; (4) bundle care and/or payment; (5) have the greatest impact on population health; and/or (6) seek to reduce readmissions. In addition, the representatives from the Innovation Center made it clear that they are seeking models that have an impact on multiple fronts.

You can access on the <u>Innovation Center's website</u>. We are currently working with clients that are working to take advantage of the opportunities offered by the Innovation Center. If you have any questions, please do not hesitate to contact either <u>Larri Broomfield</u>, <u>Heather Fields</u>, or your Reinhart attorney for further information.

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