Statement for the Record
American College of Physicians
Hearing before the House Energy and Commerce Subcommittee on Health
"Checking-In on CMMI: Assessing the Transition to Value-Based Care"
June 13, 2024

The American College of Physicians (ACP) is grateful for the opportunity to submit this statement for the House Energy & Commerce Subcommittee of Health's hearing, "*Checking-In on CMMI: Assessing the Transition to Value-Based Care*." We appreciate Chairman Guthrie and Ranking Member Eshoo for your interest in finding cost-effective bipartisan solutions to further transition our health care system to one that prioritizes value and high-quality care. The College strongly supports the transition to value-based payment and the role that the Center for Medicare and Medicaid Innovation (CMMI) plays in designing, testing, and implementing new payment models that move health care towards this goal. ACP has been appreciative of the Innovation Center's investment in primary care through several demonstration pilots that ACP supports. We look forward to a productive discussion on thoughtful policy solutions to stabilize and improve the primary care physician payment system and create a more affordable, sustainable, and equitable health system that improves patient access to primary care and health outcomes.

ACP is the largest medical specialty organization and the second largest physician membership society in the United States. ACP members include 161,000 internal medicine physicians, related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge, clinical expertise, and compassion to the preventive, diagnostic, and therapeutic care of adults across the spectrum from health to complex illness.

ACP's Policy Aligns with the Innovation Center's Strategic Goals

In 2022, ACP provided comments in response to *CMMI's White Paper: Driving Health System Transformation - A Strategy for the CMS Innovation Center's Second Decade*. We were very pleased to find many parallels between CMMI's strategy and ACP's own objectives and recommendations for improving health care. CMMI's strategy and priorities, as laid out in the White Paper, are consistent with ACP's recommendations issued in our 2020 Vision for the U.S. Health Care System and 2021 Comprehensive Framework to Address Disparities and Discrimination in Health Care. ACP shared our strong support and appreciation of CMMI's overarching goals to reduce model complexity and administrative burden, streamline participation requirements, address inequities, and increase primary care engagement. Along with our support for these priorities, ACP emphasized that any new models should increase quality and access without imposing undue burdens on physicians and other health care clinicians. Further, we underscored the strong need for participating practices to receive the necessary upfront resources and ongoing support to be able to succeed in advanced alternative payment models (APMs).

CMMI Plays a Critical Role in the Transition to Value-based Health Care

Since its inception in 2010, CMMI has tested over 50 advanced APMs aimed at rewarding physicians and other health care clinicians for delivering high-quality and cost-effective care. CMMI, together with Medicare's Quality Payment Program (QPP), as established by the bipartisan Medicare Access and CHIP Reauthorization Act (MACRA), are making meaningful improvements to value-based care. ACP has written several letters to Congress in support of CMMI where we highlighted that any

decrease in funding for CMMI would severely impact the ability for CMS to test new models of care and would undermine MACRA's goal to improve care for Medicare beneficiaries. Further, under current law, Congress did intend for CMMI's funding to be available until expended so that it could be deliberate in how to allocate resources without the pressure of expiring funding. **While we appreciate that the health subcommittee wants to evaluate the effectiveness of CMMI, we urge against any legislative action that could limit or restrict the range and length of possible CMMI models and/or add required congressional approval to expand actuarially proven innovation models. These restrictions would greatly hinder—if not defeat—CMMI's ability to quickly and effectively implement successfully developed innovation models into the Medicare and Medicaid programs to advance value-based care.**

CMMI Invests in Primary Care

In 2021, the United States spent approximately $4 trillion on health care expenditures, which made up 17.4% of our country's gross domestic product. Despite the U.S. spending nearly twice as much per capita on health care compared to other high-income countries, we rank lower in population health metrics. According to the Centers for Disease Control and Prevention (CDC), 90% of health care expenditures were spent on treating and managing chronic diseases, both physical and mental. Further, chronic diseases are the leading causes of illness, disability, and death in the United States.

Research shows that investment in primary care, including preventive health programs, can lead to long-term health and economic benefits. While the initial costs to establish and implement these programs may be high, the long-term advantages – both in cost-savings and improved health outcomes – will likely outweigh the initial costs. However, not all benefits for preventive health efforts, including investments in value-based primary care, can be captured within a 10-year period, which is the current window that the Congressional Budget Office (CBO) used to conclude that the Innovation Center's demonstration pilots increased federal spending between 2011 and 2020. There is recognition in Congress that there are limitations to CBO's scoring of preventive health care, with the House of Representatives passing the *Dr. Michael C. Burgess Preventive Health Savings Act, H.R. 766*. This legislation would enable the CBO to capture the cost-savings associated with preventive health care legislation more accurately, beyond the existing 10-year window, for two additional 10-year periods. ACP supports H.R. 766 as it would allow Congress and the public to have a better understanding of the long-term benefits of proposed health care investments.

A report by the National Academy of Sciences, Engineering, and Medicine calls on policymakers to increase the investment in primary care as evidence shows that it is critical for "achieving health care's quadruple aim: enhancing patient experience, improving population health, reducing costs, and improving the health care team experience." The report urges reforms to ensure that the Medicare physician payment system no longer undervalues primary and cognitive care, and more adequately incentivizes the type of quality, value-based care that patients need. Thus, we appreciate that CMMI's demonstration pilots have allowed more primary care practices to move into APMs by providing them with the necessary resources they need to invest in innovative care delivery strategies to improve patient health outcomes. Data shows that investing in value-based primary care is effective. Primary care practices participating in new and innovative payment models are generating cost savings by reducing emergency department visits and hospitalizations while improving the quality of care being delivered.

The College has long advocated for increased investment in primary care to ensure that patients have access to preventative and continuous comprehensive care. As internal medicine physicians who make up 24% of the physician workforce in this country, we play a role in preventive health by helping to reduce the prevalence of chronic diseases, which improves health outcomes. Not only are we uniquely qualified and positioned to manage chronic illnesses, but we are also trained to identify risk-factors that can lead to such illnesses. We can effectively encourage patients towards preventive measures, such as increasing their physical activity and eating healthier. Our role can be supported by innovative payment models that would provide primary care clinicians with the financial support, tools, and resources to meet our patients' health goals and social needs – helping to improve population health outcomes.

ACP appreciates CMMI's focus on advancing primary care through the testing and implementation of several primary care focused APMs, including the following models:

- **Making Care Primary (MCP)**
  - The MCP Model will launch in July 2024 in eight states and will include many features intended to facilitate an accessible on-ramp for primary care physicians who do not have prior experience in a value-based payment model. The MCP model includes elements designed to promote health equity, which ACP has long championed, including through our policy paper, *Reforming Physician Payments to Achieve Greater Equity and Value in Health Care*. ACP is eager to see physicians begin participating in the MCP model later this year, and how it impacts patient care.
- **Primary Care First (PCF)**
  - The PCF Model was launched in 2021 and is a voluntary, multi-payer, five-year model that is operating in 26 regions across the country. The model offers enhanced payments to support advanced primary care services. PCF is designed to help primary care practices support their patients by prioritizing the clinician-patient relationship. ACP appreciates that the model provides a variety of payment approaches to support internal medicine and primary care practices, from smaller and independent practices to larger integrated ones; it includes a range of risk options available to practices, and it could potentially reduce administrative burdens that would allow physicians to spend more time with their patients.
- **Comprehensive Primary Care Plus (CPC+)**
  - The CPC+ program was launched in 2017 and supported the advancement of the primary care medical home model of health care delivery. CPC+ strengthened the ability of internists and other primary care clinicians, in thousands of practices nationwide, allowing them to deliver high value, high performing, effective, and accessible primary care to millions of patients. The success of the model has allowed for several iterations of it to be used across many states, providing quality primary care to beneficiaries in Medicaid, Medicare Advantage, and private insurance.

Recommendations to Advance CMMI's Mission

While we appreciate the innovative work that CMMI is doing to transform health care delivery, we offer the following recommendations to further strengthen its mission. The Physician-focused Payment Model Technical Advisory Committee (PTAC) was established as part of MACRA to achieve its goal of moving physicians into APMs. PTAC provides recommendations to CMMI on physician-developed APMs models that could be successfully implemented. We remain concerned that CMMI has not implemented many of the testing of models recommended by PTAC. ACP strongly supports

PTAC's role in advising the Innovation Center on APMs and believes that priority should be given to APMs that are designed by practicing physicians who will be participating in them. **We urge CMMI to develop a clear pathway for testing models recommended by PTAC to be implemented as APMs under MACRA. Strong physician engagement and buy-in would allow CMMI to further accelerate value-based payment and care delivery for patients within Medicare and Medicaid.**

In our joint letter to CMMI with other medical specialty societies, we highlighted that "the physician community has devoted significant effort to develop well-designed APM proposals that can help transform Medicare's payment system consistent with the goals of MACRA. Many frontline physicians who have experienced the barriers to value-based care in their practices have put in years of work to develop patient-centered APMs that could offer meaningful benefits to patients and savings for the Medicare program if implemented by CMMI. These APMs would improve care for patients with asthma, cancer, kidney disease, inflammatory bowel disease, and other conditions, and enable physicians to deliver primary care, emergency care, surgery, palliative care, and outpatient specialty care to patients in higher-quality, lower-cost ways." The letter includes several examples of physician-developed APMs that CMMI should consider for implementation.

Additionally, the College would like to see a more transparent and inclusive approach to how CMMI designs and implements its demonstration models and urges CMMI to prioritize stakeholder engagement. The College supports the need for transparency in model design and for CMMI to collaborate with a broad range of stakeholders. We strongly recommend that those stakeholders include specialty societies, frontline clinicians, and patients and families. Stakeholder collaboration should be incorporated into the development, testing, and implementation of APMs with a focus on ensuring that those models are truly leading toward improved quality and value that is meaningful not only to payers and clinicians, but also to patients and their families. Collaboration with stakeholders is a critical component of decreasing unnecessary administrative tasks that lead to clinician and patient burden. **While CMMI has conducted stakeholder outreach early in the development process for some models, we strongly urge the Innovation Center to actively engage with physicians who will be participating in these models throughout both the model development and implementation processes.**

Once again, we thank you for the opportunity to underscore our strong support for CMMI's mission and to provide key recommendations that would further strengthen value-based care. ACP stands ready to serve as a resource to promote these policies. Should you have any questions, please contact Vy Oxman, Senior Associate of Legislative Affairs, at 202-261-4515 or via email at voxman@acponline.org.