

Phased approach to replacing the SGR

ISSUE: At the November meeting, Commissioners started to discuss a way to replace the SGR that would differentiate payments geographically, give feedback to outliers, and allow CMS to designate accountable care organizations.

KEY POINTS: Replacing the SGR in this way could promote a Commission goal of fostering provider accountability. Doing so would be complex, however. Some elements of the policy would have to work in concert with each other, and CMS would have to develop the necessary infrastructure with some sequencing of steps required.

ACTION: Commissioners will discuss the advantages and disadvantages of this approach and a possible timeline.

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