Streamlining CMS’s portfolio of alternative payment models

ISSUE: The Center for Medicare and Medicaid Innovation (CMMI) has developed and implemented numerous alternative payment models for health care providers. Parallel to these efforts, CMS’s Medicare Shared Savings Program is a permanent alternative payment model with many participating providers. These models’ features change frequently, and new models are launched on an ongoing basis. CMS often allows providers and beneficiaries to participate in multiple payment models concurrently.

KEY POINTS: Allowing concurrent participation in multiple payment models can dilute models’ financial incentives and complicate evaluators’ efforts to isolate the impact of a given model. CMS could operate a smaller, more coordinated set of alternative payment models to attempt to strengthen the overall impact of its alternative payment models.

ACTION: Commissioners will discuss the Chair’s draft recommendation.