

Update on Medicare's ability to innovate on payment and delivery system reforms

ISSUE: In its June 2010 Report to the Congress, the Commission discussed the disconnect between Medicare's urgent need to implement payment and care delivery innovations and the program's limited ability to test, evaluate, and disseminate payment and care delivery changes. The Patient Protection and Affordable Care Act of 2010 (PPACA) enacted significant new authorities to enable Medicare to test and implement payment and care delivery reforms. These authorities are being implemented by the Centers for Medicare and Medicaid Services (CMS).

KEY POINTS: CMS has established the Center for Medicare and Medicaid Innovation (CMMI) that was authorized by PPACA and launched dozens of initiatives to test several different models of payment and care delivery reforms. Staff will describe the changes made by PPACA to Medicare's ability to test payment and care delivery innovations, and provide an overview of the initiatives that have been launched.

ACTION: Commissioners are asked to provide guidance to staff on particular Medicare innovation testing issues that staff should monitor and develop for future consideration.

STAFF CONTACT: John Richardson and Lauren Metayer (202-220-3700)