The coronavirus has taken a devastating toll on Americans across the country, in lives lost and economic impacts. The health care system has been impacted along with many other aspects of American life. Providers have been greatly affected as they strive to do the right thing by delaying elective surgeries; they have faced disruption in critical revenue streams, and simultaneously experienced increased costs for Personal Protective Equipment. That’s why President Trump signed legislation providing $175 billion for the health care system, in addition to $100 billion in advance and accelerated payments to Medicare providers.

A Foundation Of Payment And Delivery System Reform
But we still need to do more to ensure that our health care system is resilient and prepared to address any crises. Under the Trump Administration, the Centers for Medicare and Medicaid Services (CMS) has been doing just that by advancing innovative payment and service delivery models to help move our health care system from one that pays for volume to one that rewards providers for keeping patients healthy, improving health outcomes, and lowering costs. The need for this transformation is even greater as our country confronts not just the coronavirus but the possibility of future pandemics.

Over the last three years, we’ve announced more than a dozen opportunities for providers to participate in innovative models that allow them to assume accountability for costs, while improving the quality of patient care. The concept of taking financial risk is the cornerstone of value-based care, and it’s why we’re providing clinicians with incentives for participation in our models. We know that value-based incentives can help keep patients healthy, increase quality, and decrease costs.

The major driver of value-based models is CMS’s Center for Medicare and Medicaid Innovation (CMMI), which celebrates its tenth anniversary this year. CMMI models offer health care providers an array of new payment models.
structures that are designed to reward providers for keeping patients healthy. These models are even more important in a pandemic, to provide consistent, predictable income that keeps the focus on disease prevention. Going forward, value-based care can help ensure health care resiliency. By accepting value-based or capitated payments, providers are better able to weather fluctuations in utilization, and they can focus on keeping patients healthy rather than trying to increase the volume of services to ensure reimbursement. Value-based payments also provide stable, predictable revenue—protecting providers from the financial impact of a pandemic.

**Adjustments To Value-Based Payment Models In Response To The Pandemic**

Of course, when it comes to a pandemic of the proportion we’re now experiencing, as part of ensuring that value-based payments are sustainable, the models must be adjustable to address the uniqueness of the current situation. That’s why, in response to COVID-19, CMS is providing new flexibilities and adjustments to current and future CMMI models to address the emergency. We’re releasing a chart today that outlines the models and the new changes.

When determining which changes are appropriate, we’re using the following principles:

- Utilize flexibilities that already exist in current model design.
- Continue sufficient financial incentives that encourage higher-quality outcomes.
- Ensure equity and consistency across models.
- Align as much as possible with national value-based and quality payment programs.
- Minimize risk to model participants, the Medicaid program, and the Medicare Trust Funds.
- Limit delays in new model implementation, while providing additional opportunities for participation in new models.
- Minimize reporting burden.
- Complement and build off the new CMS COVID-19 Public Health Emergency flexibilities as outlined in regulation and waivers.
Following these principles, we’re announcing a number of important adjustments to CMMI models to address the public health emergency.

For example:

- While many of our recent efforts have focused on driving the system toward value-based care faster, we’re adjusting the model implementation date for some of our new models and adjusting various deadlines for some of our existing models, to give providers additional time to transition to value-based care. We’re also delaying certain model reporting requirements so that providers can focus on patients instead of paperwork.

- For other models, we’re making adjustments to the payment methodologies, including mitigating risk during the emergency, and/or modifying cost targets and benchmarks to adjust for the response to COVID-19, so that providers aren’t at risk for costs solely due to this unprecedented pandemic. Where possible, these changes are being made consistently across our models and programs to provide stability and predictability for our model participants.

These adjustments come on top of the responses to COVID-19 that we’ve already undertaken. Of note, under the President’s direction, CMS has greatly broadened telehealth in health care during the current emergency; these unprecedented flexibilities are available to providers and suppliers participating in our models, in line with the flexibilities we’re providing by accepting value-based or capitated payments, providers are better able to weather fluctuations in utilization, and they can focus on keeping patients healthy rather than trying to increase the volume of services to ensure reimbursement. Value-based payments also provide stable, predictable revenue—protecting providers from the financial impact of a pandemic.
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across CMS programs. This means patients can easily and conveniently receive necessary care without leaving home and risking unnecessary exposure to the virus. This has been particularly well received by the medical community.

For example, many of our primary care practices in our Comprehensive Primary Care Plus (CPC+) Model have quickly ramped up to ensure access to care through telehealth. Several CPC+ practice participants in Michigan have gone from no telehealth services in February to 85 percent of visits done through telehealth, including virtual visits and phone calls, in April.

Our actions reflect our commitment to being good partners with providers who commit to value-based care. We want our partners to know that we'll make adjustments when emergencies such as pandemics arise. As we go forward, CMMI will be working directly with model participants on the specific model changes and the processes for implementing them. CMS will also continue to review the data from our models during this COVID-19 pandemic, to identify short-term and long-term lessons learned. We know that we'll eventually beat COVID-19, and we want all our partners to know that our commitment to value-based care will remain as strong as ever, to support our health care system as our country reopens—and far beyond.