

Physician-Focused Payment Model Technical Advisory Committee

Preliminary Review Team Report to the Physician-Focused Payment Model Technical Advisory Committee on the *Remote Specialists and Experts on Demand: Improving Care and Saving Costs (Revised Version) Proposal*

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Physician-focused payment model (PFPM) proposals submitted to the Physician-Focused Payment Model Technical Advisory Committee (PTAC) in accordance with PTAC's proposal submission instructions are assigned to a preliminary review team (PRT). Each PRT prepares a report of its findings on the proposal for discussion by the full PTAC. The report is not binding on PTAC; PTAC may reach different conclusions from those contained in the report. Each report and related materials are available on the PTAC section of the Office of the Assistant Secretary for Planning and Evaluation (ASPE) [website](#).

A. Proposal Information

1. **Proposal Name:** Remote Specialists and Experts on Demand: Improving Care and Saving Costs (Revised Version)
2. **Submitting Organization or Individual:** Eitan Sobel, MD
3. **Submitter's Abstract:**

"The proposal calls for a establishing a payment model for remote specialists and experts on demand. The proposal suggests that organizations named Regional Referral Centers (RRC) could provide remote specialists and experts for most health issues at any level of care and at any geographic location. Those specialists and experts would be offered expeditiously upon request from field providers. Patients would be empowered to choose their specialists and experts based on information, ratings and reviews posted online. Based on the given clinical presentation, the specialist or the expert would form a plan of action that is specific for the patient's needs and the most effective one."

B. Summary of the PRT Review

Dr. Eitan Sobel’s proposal, “Remote specialists and experts on demand: Improving care and saving costs (Revised Version),” was received by PTAC on November 25, 2019. The proposal is a revision of an earlier submission from the same submitter, which was received by PTAC on August 26, 2019. Initial feedback to the submitter from a PRT for the original submission was provided on October 21, 2019. The PRT for this submission conducted its review of the proposal between January 22, 2020, and January 30, 2020. The PRT’s findings are summarized in the table below.

PRT Rating of Proposal by Secretarial Criteria

Criteria Specified by the Secretary (at 42 CFR §414.1465)	PRT Rating	Unanimous or Majority Conclusion
1. Scope (High Priority)	Does Not Meet	Unanimous
2. Quality and Cost (High Priority)	Does Not Meet	Unanimous
3. Payment Methodology (High Priority)	Does Not Meet	Unanimous
4. Value over Volume	Does Not Meet	Unanimous
5. Flexibility	Does Not Meet	Unanimous
6. Ability to Be Evaluated	Does Not Meet	Unanimous
7. Integration and Care Coordination	Does Not Meet	Unanimous
8. Patient Choice	Does Not Meet	Unanimous
9. Patient Safety	Does Not Meet	Unanimous
10. Health Information Technology	Does Not Meet	Unanimous

C. Information Reviewed by the PRT

1. Proposal and Additional Information Provided by the Submitter

The PRT’s summary of the proposal and evaluation of the proposal compared to the Secretary’s criteria for physician-focused payment models (PFPMs) are below.

Proposal Summary

The submitter proposes a network of independent Regional Referral Centers (RRCs) staffed by specialists available for telephone or video-based consultations. The RRCs are intended to mitigate or reduce the escalation of care for conditions where access to physician specialists could forestall or prevent hospital admissions or transfer from community to more care-intensive settings, such as emergency department (ED), inpatient, and rehabilitation settings. Under the proposed model, specialist providers would participate in the RRCs and be reimbursed through fee-for-service (FFS) payments. The proposal indicates that the goal of the RRCs is to expand access to physician specialists through the use of health information technology (HIT) to facilitate remote consultations as well as evaluation and monitoring of patients. According to the submitter, the proposal would help avoid unnecessary escalation of care, which would in turn reduce costs and improve patient satisfaction. The proposal’s objectives are to reduce health care expenditures by up to 30 percent while improving quality of care.

The proposal does not specify which physician specialties would be targeted but provides a number of examples describing the proposed role of the RRCs in facilitating referrals and consultations between primary care providers, hospitalists, and specialists such as neurologists and cardiologists. The proposed model, which is not condition-specific, asserts that the RRCs would provide remote consultations for both acute and chronic conditions. The proposal does not reference target subpopulations of patients or define a process for patient attribution.

The proposal suggests a number of FFS-based payments for remote consultants. However, the proposal does not specify whether payments would be risk-adjusted or stratified. The submitter proposes to automate the collection of quality measures using HIT. The proposal suggests patient satisfaction and cost of care as potential quality outcomes, but does not define specific measures. Patients would be able to rate and review their consultants' performance and use the ratings and reviews of others to inform their choice of consultant. The proposal does not specify how these quality metrics would be risk-adjusted or tied to payment.

2. Literature Review and Environmental Scan

ASPE, through its contractor, conducted a targeted environmental scan of peer-reviewed and non-peer-reviewed publications. The review included a formal search of major medical, health services research, and general academic databases; relevant grey literature, such as research reports, white papers, conference proceedings, and government documents; and websites of professional associations and societies and the Centers for Medicare & Medicaid Services (CMS) for relevant evaluation reports and program documentation. Key words guiding the environmental scan and literature review were identified from the proposal. The search may not be comprehensive and was limited to documents that met predetermined parameters, generally including a five-year look-back period, a primary focus on United States-based literature and documents, and relevancy to the proposal.

3. Data Analyses

The PRT did not request additional data analyses.

4. Public Comments

There were no public comments for this proposal.

D. Evaluation of Proposal Against Criteria

Criterion 1. Scope (High Priority)

The proposal aims to either directly address an issue in payment policy that broadens and expands the CMS APM portfolio or include APM Entities whose opportunities to participate in APMs have been limited.

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- The proposed model is intended to reduce health care expenditures and improve quality of care nationwide by facilitating remote telemedicine consultations with specialists, thereby preventing unnecessary ED visits or inpatient hospitalizations.

Weaknesses:

- It is not clear which provider (i.e., the RRC and/or associated specialists) is the alternative payment model (APM) entity. Therefore, it is difficult to establish what kinds of specialists would have a new opportunity to participate in an APM under this model.
- The proposal does not specify how many RRCs would be established or how many physician specialists would be employed as tele-consultants under the model.
- The proposal does not describe which Medicare populations would be targeted by the model. Therefore, it is difficult to determine how many individuals would receive care under this model.
- Some of the concerns raised in the proposal about scope have been addressed by other actions. The submitter notes that visits in home settings are now allowed, and consultations between a treating physician and another health professional are reimbursed under the 2020 Physician Fee Schedule (PFS).
- In total, the proposed model does not appear to be an APM and therefore would not expand the APM portfolio.

Summary of Rating:

The proposed PFPM does not meet the criterion. The proposal does not provide adequate detail on which provider will be the APM entity, how many RRCs will be established, or how many remote specialists will be employed. Therefore, it is difficult to determine whether the model will incorporate providers who do not currently have an opportunity to participate in an APM.

Criterion 2. Quality and Cost (High Priority)

The proposal is anticipated to (1) improve health care quality at no additional cost, (2) maintain health care quality while decreasing cost, or (3) both improve health care quality and decrease cost.

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- Patient satisfaction, including a consumer rating system, would be incorporated into the proposed model's quality metrics.
- Appropriate and timely specialist access could reduce costs.

Weaknesses:

- The approach to performance measurement in the model is unclear. The proposal does not provide a comprehensive list of clearly defined process and outcome quality measures for which participating providers would be held accountable.
- There are no specific performance targets for quality or outcomes.
- The manner in which patient satisfaction would impact fee schedule payment is unclear, and the proposed PFPM does not specify a connection between payments and any other performance measures.
- The proposal states a goal of a 30 percent reduction in health care expenditures but does not provide sufficient evidence of how the projected savings will be achieved.

Summary of Rating:

The proposed PFPM does not meet the criterion. Given the lack of detail in the proposal regarding quality metrics, the PRT feels that the model does not include an adequate mechanism to incentivize high quality of care. The mechanisms for cost reductions are hypothesized but not demonstrated.

Criterion 3. Payment Methodology (High Priority)

Pay APM Entities with a payment methodology to achieve the goals of the PFPM Criteria. Addresses in detail through this methodology how Medicare, and other payers if applicable, pay APM Entities, how the payment methodology differs from current payment methodologies, and why the PFPM cannot be tested under current payment methodologies.

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- The proposal aims to expand payment options for remote specialist consultations.

Weaknesses:

- The proposal does not clearly identify an APM entity. By relying entirely on FFS payments, the model does not reflect essential components of an APM.
- Many aspects of the payment model are not specified, including the need or mechanism for risk adjustment.

- While the proposal indicates that quality and outcomes will affect payments and program participation, it is unclear if there would be a mechanism to hold the RRCs, individual physicians, or some other entity accountable for quality or cost outcomes.
- The method for determining appropriate fees is not specified. For example, the proposed model includes payment of fees for “bypassing unnecessary care and admission to a hospital,” but the process for identifying reductions in unnecessary care or admissions is not specified.

Summary of Rating:

The proposed PFPM does not meet the criterion. The proposal does not sufficiently indicate how the model would work, how fees would be calculated, and who bears either upside or downside risk. Much further development by CMS would likely be needed to make the PFPM operational.

Criterion 4. Value over Volume

The proposal is anticipated to provide incentives to practitioners to deliver high-quality health care.

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- A stated objective of the proposal is to reduce unnecessary utilization, including specialist visits, ED visits, and inpatient admissions.

Weaknesses:

- It is not evident that this model would unambiguously reduce volume. The lack of detail about quality measurement and the limited description of the flow of funds make it challenging to understand how volume would be controlled.
- The model does not include a strong mechanism for encouraging efficient service delivery. In particular, aside from noting that quality and outcomes will affect the fee schedule and specialists’ ability to participate in the model, there is a lack of detail regarding which quality metrics providers will be responsible for.

Summary of Rating:

The proposed PFPM does not meet the criterion. Critical aspects of the model have not been sufficiently described in the proposal, such as necessary practice infrastructure, payment methodology, care coordination design, and quality outcomes measurement. Without more detail on these aspects, the PRT is unable to assess the extent to which the model is likely to achieve the broad and important intent of the proposal to engage specialists in value-based care delivery.

Criterion 5. Flexibility

Provide the flexibility needed for practitioners to deliver high-quality health care.

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- The proposed model expands the resources available to primary care providers by facilitating remote specialist consultations. Such expansion could be particularly important in areas with shortages of specialists.
- The remote specialists providing telemedicine consultations can be based anywhere, rather than being limited to a particular hospital or health system, which may increase the pool of physicians available to local providers.

Weaknesses:

- Consulting specialists would need to be licensed to practice in the state and credentialed by the facility where the patient is located. Differences in licensure and credentialing requirements across jurisdictions may limit the actual number of providers available to provide remote consultations under this model.
- The proposal does not fundamentally alter the FFS structure of payment for telemedicine consultations.

Summary of Rating:

The proposed PFPM does not meet the criterion. Under the proposed model, providers would have little flexibility to deliver care in ways other than traditional billable office visits or remote consultations.

Criterion 6. Ability to Be Evaluated

Have evaluable goals for quality of care, cost, and any other goals of the PFPM.

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- The submitter proposes using digital technology to obtain process metrics for RRCs (e.g., time spent with patients and time spent writing digital communications), as well as patient outcomes.

Weaknesses:

- The proposal does not provide specifications (e.g., numerators, denominators) for the proposed quality metrics.
- Relevant outcomes for assessing the success of the model other than ED visits and hospital admissions are not identified.

- The proposal does not clearly define the target population for the intervention. Without clearly defined provider participation or beneficiary attribution rules, it would not be possible to identify treatment or comparison groups.

Summary of Rating:

The proposed PFPM does not meet the criterion. The proposed model does not include accountability for either quality or spending associated with the changes. The undeveloped nature of the proposed RRC model and lack of detail about specific elements of the payment formula mean the model may not be able to be evaluated as a PFPM.

Criterion 7. Integration and Care Coordination

Encourage greater integration and care coordination among practitioners and across settings where multiple practitioners or settings are relevant to delivering care to the population treated under the PFPM.

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- The proposed model intends to improve coordination between different care settings, primarily by facilitating remote consultations between primary care providers and specialists.

Weaknesses:

- The proposal does not identify any formal mechanisms for longer-term coordination between primary care physicians and other providers.

Summary of Rating:

The proposed PFPM does not meet the criterion. Despite the desirability of multidisciplinary coordination of care, the proposal does not include a process or standardized approach that would ensure that primary care providers utilize the RRC to consult with remote specialists.

Criterion 8. Patient Choice

Encourage greater attention to the health of the population served while also supporting the unique needs and preference of individual patients.

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- The proposal intends to expand patient choice by allowing patients to select from an expanded list of available RRC providers that would include care coordinators, visiting nurses, and other providers, in addition to specialists.

Weaknesses:

- The proposal intends to foster patient choice through a consumer ratings system. However, evidence from the environmental scan performed for this proposal indicates that consumer ratings are not an accurate reflection of specialty-specific performance. Furthermore, the proposal provides very few details on the proposed rating system, and does not specify the metrics on which providers would be graded or the relevance of those ratings for outcomes.

Summary of Rating:

The proposed PFFM does not meet the criterion. The submitter recognizes that increasing patient choice is an important goal of the model. However, the PRT believes that the proposal lacks adequate specificity on how choice would be expanded.

Criterion 9. Patient Safety

How well does the proposal aim to maintain or improve standards of patient safety?

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- The model aims to strengthen primary care providers' capacity to provide appropriate and high-quality care for patients through increased access to remote specialist consultations.

Weaknesses:

- The proposal does not describe the attribution methodology. In a case where remote specialists and on-site providers are not part of the same health care system, it is not clear from the proposal which provider would have ultimate responsibility for patient outcomes. This diffusion of responsibility may compromise patient safety.
- The lack of monitoring of specific quality measures means that the model's effect on patient safety may be unclear.

Summary of Rating:

The proposed PFFM does not meet the criterion. The proposal's lack of a clear attribution methodology and inadequate detail on specific quality metrics make it difficult for the PRT to assess the impact of the proposed model on patient safety.

Criterion 10. Health Information Technology

Encourage use of health information technology to inform care.

PRT Qualitative Rating: Does Not Meet Criterion

Strengths:

- The proposal relies on telemedicine technology to facilitate and expand access to remote specialists' expertise not available in patients' communities.
- HIT such as electronic medical records could facilitate information exchange during the telemedicine process. The submitter recognizes that HIT can also be effective in evaluating quality and outcomes, and in improving care delivery.

Weaknesses:

- The proposal does not include any requirements or guidelines for specific telemedicine functionalities or HIT use.
- Interoperability of HIT across different local institutions and with telemedicine platform vendors could be challenging, especially as this infrastructure does not currently exist.

Summary of Rating:

The proposed PFPM does not meet the criterion. Although the use of telemedicine and incorporation of HIT are central components of the proposed model, the proposal lacks detail about how HIT would be used to improve care.

E. PRT Comments

The PRT commends the submitter for proposing an innovative telemedicine solution to enable and facilitate access to specialists, especially for Medicare beneficiaries living in remote areas. The proposed model raises important issues and aims to improve access to high-quality care in areas where highly specialized care is not currently easily accessible. The goals to reduce unnecessary ED visits and hospital admissions while improving overall quality of care and patient satisfaction with care are laudable. The PRT agrees with the submitter that both new care models and new payment models are needed to improve access to specialty care in rural or remote areas. Many of the problems identified by the submitter, therefore, are highly significant.

The PRT is concerned, however, about a number of aspects of the proposal and finds that the proposal lacks adequate specificity on all 10 of the Secretary's criteria. A primary concern is the fact that the PRT does not find the proposed model to be an APM. Since the proposed payment methodology is entirely through FFS payments, the proposed services could be accommodated within current payment methods, including the Medicare PFS. The proposed model does not, however, include any accountability for changes in volume or cost for the expanded FFS payments. While the proposal intends to support care that could result in reductions in both ED visits and avoidable hospitalizations, explicit risk sharing is not proposed. The PRT also finds the

proposal has inadequate detail on other important issues, including patient attribution, quality metrics, and risk adjustment methodology. Finally, while HIT is identified by the submitter as an integral part of the proposed model, details regarding HIT use are not provided.

In total, the PRT agrees with the submitter on the importance of the problem and the potential for telemedicine services, possibly through RRCs, as a solution to access in remote areas. The PRT finds, however, that the “Remote Specialists and Experts on Demand: Improving Care and Saving Costs (Revised Version)” proposal outlines several fundamental changes to the structure and operation of the Medicare program, rather than an alternative physician payment methodology. The lack of specificity on many aspects of the model also makes it difficult to assess the proposed model or find that it meets the Secretary’s criteria.