Feedback on CMMI Bundled Payment Programs

Danielle A. Lloyd, MPH
Vice President, Policy & Advocacy
Deputy Director DC Office
Premier healthcare alliance
E-mail: Danielle_Lloyd@PremierInc.com
Web site: http://www.premierinc.com/
Bundle Payment Collaborative Members
Bundled Payment – What We Appreciate

**Baseline Data**
- Availability of data well in advance of decision point in order to decide whether to enter, which bundles to choose and plan care transformation

**Monthly Data Feeds**
- Access to monthly data drives decision making and encourages improvements, but missing substance use related claims

**Voluntary Nature & Menu of Bundles**
- Allow organizations to choose the model and enter when ready, as well as start small and grow into the program

**Gainsharing Caps**
- Support capping physician reconciliation payments at 50% of what otherwise paid
Bundled Payment – Barriers to Success

Target Pricing/Trending Methodology

• Discourages efficient organizations from participating in bundles
• Trending methodologies discourages long-term participation in bundles

Implementation Protocol

• Administratively burdensome
• Inconsistent review and feedback from CMS staff

Precedence Rules

• Creates confusion for providers and patients
• Devalues bundle participation

Uniform Discount Rates

• Discourages participation in complex medical bundles which have higher levels of variability
Bundled Payment – Barriers to Success

Risk Adjustment
- Exclusions and outlier protections insufficient
- Disconnect between baseline and performance period

Quality Metrics
- No application to payment
- No MIPS comparable measures or CEHRT requirements

Legal Waivers
- Need more tools to engage patients and encourage innovation in care
- No question mechanism to ask questions

Transparency
- No ability to replicate national numbers such as trend
- Lack of clarity on methodologies
• Ensure model is **voluntary**, and methodologies **transparent**
• Allow **annual open** application period
• Proceed with only **Model 2**
• Develop more relevant **outcomes measures** to use within this context
• Consider how to collect **patient assessment** instruments within workflow
• Research new and improved **risk adjustment** methodologies
• Increase **legal waivers** and create **FAQ process**
• Adopt **regional pricing** with at least 25% based on historical performance
• Implement **prospective target** pricing
• Adopt **trending methodology** inclusive of prior reconciliation/repayments
• Ensure **baseline data** is at least 4 months in advance and ongoing **monthly**
• **Vary discount** rates based on level of variability in a given bundle
• Base **precedence** on contribution to bundle, not physician vs. hospital
• Adopt **financial arrangement disclosures** similar to EPM
• Offer voluntary **risk tracks** similar to EPM for high variability DRG bundles
• Develop an equitable attribution of savings where **APMs overlap**