



March 12, 2021

Ms. Elizabeth Fowler
Director, CMS Innovation Center
U.S. Centers for Medicare & Medicaid Services
2810 Lord Baltimore Drive
Baltimore, MD 21244

Dear Liz,

Congratulations on your new leadership role at the Centers for Medicare & Medicaid Services. We look forward to working with you to transform our health care system so that it supports and encourages physician-led value-based models while ensuring adequate provider competition.

The Partnership to Empower Physician-Led Care (PEPC) is a membership organization dedicated to supporting value-based care to reduce costs, improve quality, empower patients and physicians, and increase access to care for millions of Americans through a competitive health care provider market. We believe that it is impossible to achieve truly value-based care without a robust independent practice community. Our members include Aledade, American Academy of Family Physicians (AAFP), California Medical Association, Florida Medical Association, and Medical Group Management Association (MGMA). We also have individual and small medical group supporters across the country, many of whom are independent physicians or practices and wish to remain so.

We believe that physicians – especially independent physician practices– are the lynchpin of our nation’s health care system. They have repeatedly demonstrated their superior ability to generate positive results in value-based care arrangements, both in improved health outcomes and reduced costs. In our vision of the future, this important piece of the health care system not only survives, but thrives as a result of policies that place independent physicians on a level playing field with other providers and opportunities to test new models with components that reflect their unique circumstances.

The following are principles we encourage the Innovation Center to adopt when developing new models or refining existing approaches to value-based care:

- **CMS should prioritize physician-led APMs**, while building on models that have demonstrated proven results. Physician-led ACOs have consistently generated more savings than hospital-led ACOs based on MSSP results, largely because financial incentives in physician-led ACOs are fully aligned with key components of value-based care. Implementing more physician-led models can encourage participation and achieve quality outcomes and savings.
- **Models should be accessible to a wide range of physicians, including physicians choosing to remain independent.** As you know, the physician workforce is not homogenous. Instead, there are physicians in large practices and small practices, in rural and urban settings, in a variety of different employment arrangements. CMS should consider the unique circumstances of physicians in independent practice when developing models, ensuring that there are options available for this cohort of the workforce and recognizing that models that are appropriate for large hospital-led groups and/or large physician practices may not be appropriate for all.



- **Quality measures should be harmonized across new and existing models to the extent possible and CMS should use a parsimonious list of meaningful measures that reduce the burden of reporting.** Quality measurement and improvement is of the utmost importance for value-based care, and should be incorporated into all alternative payment models, including physician-led models. We urge CMS to harmonize measures across new and existing models, focusing on those measures that have the greatest impact on patient care.
- **Models should test a range of innovations aimed at encouraging consumers to engage in their care while not imposing substantial new administrative burdens or paperwork requirements on physician practices.** In implementing new models, CMS could consider a range of beneficiary-focused design elements including allowing Medicare beneficiaries to voluntarily enroll in the model(s) with the primary care physician of their choice; or rewarding beneficiaries for decision-making that results in cost reductions by, for example, sharing in any savings obtained by the practice if the practice is participating in a shared savings model, receiving added benefits from their physicians and/or having their cost-sharing reduced or eliminated. As CMS considers requiring practices to voluntarily enroll and/or recruit patients to participate in care models, we caution that this would be a significant barrier to participation for many independent practices. We urge CMS to consider maintaining and improving processes for attributing patients based on historical claims for practices and clinicians that do not have the resources or desire to implement robust patient outreach and enrollment strategies. We also urge CMS to consider how attribution policies that include telehealth services are impacting alignment across different provider types.
- **New models should continue to allow physician practices to assume appropriate financial risk for reducing costs proportional to their finances while offering greater reward over time for practices agreeing to take on more risk.** To attract independent practices, risk must be proportional to their finances and not so large as to favor consolidation of practices or deter program participation. CMMI should also provide more predictable and accurate risk adjustment and benchmarks that work for a range of physician practices, including excluding an entity's own beneficiaries from benchmark calculations as appropriate.

Once you are settled in, we would appreciate the opportunity to meet with you to discuss the role of independent physicians and practices in leading payment and delivery models that drive the system to better outcomes and lower costs. Under your leadership, the Innovation Center has the opportunity to build on the results that have been achieved by physicians and physician-led practices by innovating in key areas such as new payment structures/arrangements, quality measures and information sharing.

We would also like to talk with you about future priorities for the Innovation Center, and the Innovation Center's role in increasing provider competition.

Please do not hesitate to reach out to me if the Partnership to Empower Physician-Led Care can be a resource to you. I can be reached at kristen@physiciansforvalue.org or 202-640-5942.

Sincerely,

Kristen McGovern
Executive Director