

How Completed CMS Innovation Center Models Contribute to Health Care System Transformation

The CMS Innovation Center tests new ideas and approaches to improve health care quality and reduce expenditures in Medicare, Medicaid and the Children’s Health Insurance Program (CHIP). Given the nature of experimentation, the CMS Innovation Center’s model tests initially are time-limited, most lasting approximately four to seven years, with the goal of providing a long enough period to rigorously evaluate the model test and determine what works and what doesn’t.

The Secretary of Health & Human Services has the authority to expand the scope and duration of a model through rulemaking, including the option to test a model nationwide. To exercise this authority, the Secretary and CMS actuaries must review the CMS evaluations and determine that a model would either reduce spending without reducing the quality of care, or improve the quality of care without increasing spending, and must not deny or limit the coverage or provision of any benefits. Most models, however, are not expanded and come to their natural, pre-determined conclusion.

Completed models are the building blocks for health care transformation, and participants in these models are vital contributors to change, offering crucial lessons learned that guide the CMS Innovation Center’s thinking about value-based care. Successful elements from concluding models often become the foundation for new models. And, where possible, the CMS Innovation Center helps advise participants in models that are reaching their conclusion of opportunities with other models tested by the Center. This may be the successor to the model in which they took part or another model testing ways to support their patients’ needs.

CMS Innovation Center Strategic Direction

The CMS Innovation Center has taken stock of lessons learned and [charted a path](#) for the next ten years of value-based care – one that will improve the health system for all patients and achieve equitable outcomes. Five strategic objectives will guide CMS Innovation Center models: Drive Accountable Care, Advance Health Equity, Support Care Innovations, Improve Access by Addressing Affordability, and Partner to Achieve System Transformation. Further, the CMS Innovation Center will mitigate barriers to participation in models and ensure that future model designs are inclusive of a variety of providers who care for underserved populations, potentially increasing beneficiaries’ access to high-quality care. As models end, the Center will build a more harmonized and streamlined model portfolio, embedding health equity in every model and aiming to have all Medicare fee-for-service beneficiaries in a care relationship with accountability for quality and total cost of care by 2030.

Meaningful, Ongoing Contributions from Ended Models

Even when a model ends, it continues to have a meaningful impact on the CMS Innovation Center’s work, and longer-term goal of realizing a health care system that achieves equitable outcomes through high quality, affordable, person-centered care. For example, these models:

Inform Future Model Tests

Successful elements and other lessons from an ended model often shape subsequent model designs. The Bundled Payments for Care Improvement Advanced Model is an example of a model built upon the evaluation and operational experiences of its predecessor, the Bundled Payments for Care Improvement Initiative. The subsequent model addressed technical implementation issues in its predecessor, like introducing more accurate prospective pricing and using clinical episode service line groupings for which the participant bears financial risk. Successful elements of the Comprehensive End-Stage Renal Disease (ESRD) Care Model also became part of the ESRD Treatment Choices Model and the Kidney Care Choices Model, with an increased emphasis on care coordination for patients and the addition of this coordination for those with chronic kidney disease who haven’t yet progressed to dialysis.

Other examples of models that benefited from knowledge gained from a preceding model test include Comprehensive Primary Care Plus and Primary Care First, which built on the lessons learned in the Comprehensive Primary Care Initiative.

Additionally, the CMS Innovation Center applies lessons from evaluation findings and implementation experiences in past models to enhance approaches in subsequent models. For instance, some models' evaluation impact estimates showed gross savings to Medicare, but these savings were offset by payments to model participants resulting in net losses. As a result, the CMS Innovation Center is modifying its benchmarking approach in future model tests to better address this issue.

Build Participant Experience

Model participants and the CMS Innovation Center collaboratively gain experience working in a value-based care system and understanding what is necessary to succeed. Following the conclusion of one model, participants often apply their experience, information gained from the model evaluation reports, and increased confidence, to join future models that might have greater risk but also greater possibility for delivery transformation and care quality improvement. For example, about two-thirds of the participants in Comprehensive Primary Care Plus Model joined its successor, the Primary Care First Model.

Further, models may shape how participants deliver health care, even after the model has ended. Some participants use lessons learned from their experience being part of a model to make permanent changes to their practice, as well as further refine their approach to value-based care.

For instance, the Accountable Health Communities (AHC) Model, scheduled to end in April 2022, has helped model participants (AHC award recipients) screen for health-related social needs (HRSNs), make referrals to community-based services to address those HRSNs, navigate patients to services to address those HRSNs, and create community alignment activities to identify and fill gaps in community resources to meet HRSNs. Through their sustainability plans, AHC award recipients are exploring different ways to independently fund, expand and/or adapt their model-related work after the model ends based on lessons learned, their community needs, and their own available resources.

Contribute to the Design of the Medicare Shared Savings Program

CMS Innovation Center Accountable Care Organization (ACO) models informed the development of the [Medicare Shared Savings Program](#), a national, voluntary program implemented by CMS that offers providers and suppliers (including physicians, hospitals, and others involved in patient care) an opportunity to create an ACO. Lessons learned from the Pioneer ACO Model, Next Generation ACO Model, and Medicare ACO Track 1+ Model have informed key aspects of the Medicare Shared Savings Program, including benchmarking methodology, approach for establishing levels of financial risk and reward for ACOs, beneficiary assignment methodology, and benefit enhancements. Further, through the Advance Payment ACO Model and ACO Investment Model, CMS gained experience with providing upfront financial support to eligible ACOs participating in the Medicare Shared Savings Program.

Redefining Success

The CMS Innovation Center started with and remains committed to a clear mandate: to test new ideas and approaches for improving health care quality and reducing costs in Medicare, Medicaid and CHIP.

In its second decade, with numerous lessons learned, the CMS Innovation Center has come to define success in terms that reach beyond whether a given model test is expanded. Success can also be defined by large-scale health system transformation to value-based care. Model tests—with the invaluable support of model participants—will continue to be a driving force for achieving transformation, each contributing vital policy and operational insights for how to effectively deliver high quality, affordable, person-centered care that achieve equitable health outcomes.