AMA
AMERICAN MEDICAL ASSOCIATION

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Scott R. Smith
Director
Healthcare Quality and Outcome Division
U.S. Department of Health and Human Services
200 Independence Ave, SW, Room 415F
Washington, DC 20201

RE: Proposed Review Process for Physician-Focused Payment Model Technical Advisory Committee

Dear Mr. Smith:

On behalf of the physician and medical student members of the American Medical Association (AMA), thank you for the opportunity to provide feedback on the proposed process that the independent Physician-Focused Payment Model Technical Advisory Committee (PTAC) will use to review stakeholder proposals for alternative payment models (APMs). The AMA views the establishment of the PTAC and the development of physician-focused APMs as critical components of the Medicare Access and CHIP Reauthorization Act (MACRA). The recent MACRA Notice of Proposed Rulemaking would allow very few APMs to qualify under its proposed standards for Advanced APMs, and estimates that only a handful of physicians will be eligible for the APM incentive payments provided under the law. The PTAC has an important role to play in providing a more robust APM pathway that can facilitate physician efforts to redesign the delivery of care for their patients.

The proposed PTAC review process contains a lot of good elements. Many specialty societies are developing APMs, and it is encouraging that you are creating a process to give them rapid review and feedback. We are also pleased that APM developers will get technical assistance and be informed about any problems with their proposals so they can be revised and resubmitted.

We believe that it would be helpful if the process could be less formal and more interactive. Instead of providing reviewers' questions to proposal submitters and then having the submitters respond in writing, another option is for the PTAC reviewers to have a conference call with the specialty's physician workgroup to discuss the proposed APM. At a recent multispecialty meeting convened by the AMA, seven specialties made presentations about the process they have used to develop APMs. All of them have physician workgroups developing the APMs, and it would be helpful for the PTAC members to have a dialogue with them about how their models can be designed in a way that PTAC can recommend them.

The AMA sees physician-focused models as an opportunity for major transformation in the delivery of care for patients with serious conditions. For example, a diabetes APM that reduces complications and hospitalizations, improves patient self-management, and slows disease progression would be a major advance for Medicare patients. Likewise, new models for managing cancer patients' care can improve

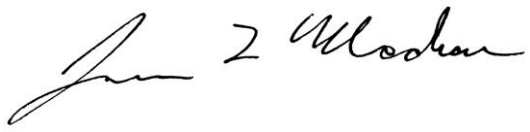
outcomes through more accurate diagnosis and staging and better treatment planning. To ensure physician-focused models will achieve these kinds of changes, proposals should include the impact that the APM could have on patient quality and outcomes, not just costs.

With regard to technical assistance, a major challenge for those developing APMs is getting Medicare data to quantify the models and estimate their impacts. Physicians do not know what other services their patients receive from hospitals, labs, and other physicians and providers, but it is impossible to complete APM proposals without this information.

Specialty societies and other stakeholders also need help structuring the APMs' financial accountability. The proposed rules for nominal risk are complicated and need to be changed for physicians to have a meaningful chance of success in APMs, but whatever the nominal risk standards are in the final rule, the physician community will need help with the financial risk aspect of specialty models for managing particular conditions or episodes.

We encourage you to invite groups developing APMs to submit their drafts to you now so you can see the improvements that are possible and the challenges specialties face developing them. We also encourage PTAC to establish a process for expediting the review of certain models, e.g., models that are already implemented in the private sector or Medicaid.

Sincerely,



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