AMA AMERICAN MEDICAL ASSOCIATION

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Adam Boehler
Deputy Administrator for Quality and Innovation
Centers for Medicare & Medicaid Services
200 Independence Avenue, SW, Room 310G-04
Washington, DC 20201

RE: Geographic Population-Based Payment Request for Information

Dear Deputy Administrator Boehler:

On behalf of the physician and medical student members of the American Medical Association (AMA), I am responding to the Request for Information (RFI) from the Center for Medicare & Medicaid Innovation (CMMI) regarding a Geographic Population-Based Payment (PBP) model option. The AMA commends CMMI for taking the essential step of soliciting input from stakeholders on how to best design new models before they are implemented.

After reviewing the specific questions regarding the Geographic PBP concept, we are unable to offer a meaningful response at this time because the information that has been provided about the concept is not sufficiently detailed, and in some cases, it is confusing. In particular, we urge CMMI to provide a clearer description regarding the following aspects of the model:

- Page Two of the RFI states that the Geographic PBP approach would involve a Direct Contracting Entity (DCE) taking "total cost of care (TCOC) risk for all Medicare beneficiaries in a defined target region," but Page Three says CMS would select "one or more" DCEs and would favor regions with "at least two DCEs to encourage competition." How could two (or more) DCEs each be at full risk for the total cost of care for *all* Medicare patients in the same geographic region? In addition, there are Medicare accountable care organizations and other alternative payment models in regions all over the country, plus the other Direct Contracting models recently announced, that are taking responsibility for total spending on subsets of patients, so it is not clear how a DCE would take accountability for those patients.

- Page Six states that, if there are two DCEs in a region, CMMI is considering "randomly" aligning patients to one of them, but Page Four says Medicare patients would retain freedom to seek services from any provider, regardless of whether the provider has an arrangement with the DCE. Why would a DCE want to accept financial risk for patients who are receiving all their care from providers who are not associated with the DCE, and perhaps are associated with another DCE in the region?

- The question on Page Five about criteria for selecting regions implies that a region could be selected if providers in that region are already taking accountability for spending for many of the Medicare patients in the region through participation in other Medicare models. As noted above,

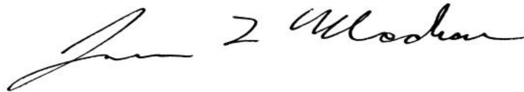
> the RFI does not explain what this would mean for the existing alternative payment models in the region, nor do the questions in the RFI address how to resolve these potential conflicts and overlap.

Regarding safeguards and beneficiary protections, the AMA is concerned that organizations that currently participate in the Medicare Advantage (MA) program and become DCEs may encourage patients who are aligned with the DCE to switch from Original Medicare to their MA plan. Since patients in MA have more restricted choices than patients aligned to a DCE, such switches could be attractive to DCEs. It is not clear whether this type of behavior would be encouraged or discouraged.

The AMA recommends that, before deciding to implement this variation of the Direct Contracting model, CMMI should prepare a more detailed concept paper for stakeholders to provide feedback. The concept paper should include a clear explanation of the specific goals that CMMI aims to achieve with this approach, how it would be expected to meet those goals, how it would relate to other alternative payment models, and how it would affect physicians and other health professionals currently delivering services to Medicare patients. If there are multiple model designs being considered, each option should be described in detail so that stakeholders can provide meaningful feedback on the design options that would be most effective.

Thank you for considering our comments. The AMA contact person for these comments is Sandy Marks, Assistant Director, Federal Affairs, at sandy.marks@ama-assn.org or 202-789-4585.

Sincerely,



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