



December 19, 2016

Andrew M. Slavitt
Acting Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
Attention: CMS-5517-FC
200 Independence Avenue, SW
Washington, DC 20201

Submitted electronically via <http://www.regulations.gov>

Re: Medicare Program; Merit-based Incentive Payment System (MIPS) and Alternative Payment Model (APM) Incentive under the Physician Fee Schedule, and Criteria for Physician-Focused Payment Models; Final Rule CMS-5517-FC

Dear Acting Administrator Slavitt,

Medicaid Health Plans of America (MHPA) applauds CMS' continued efforts to ensure access to high-quality care and to incentivize the shift in care delivery from volume to value. We commend your recent work to finalize the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA), which aims to ensure that American's enrolled in Medicare receive value-based care under the Quality Payment Program's (QPP) Merit-Based Incentive Payment System (MIPS) and Advanced Alternative Payment Model (APMs) pathways and, which will impact some Medicaid and commercial providers and beneficiaries starting in 2019. Due to the key role MHPA member plans play in partnering with providers, states, and the Federal government to test and implement new payment and delivery reform models that emphasize quality and value of care, as well as the eventual ability of providers serving Medicaid beneficiaries to use participation in Medicaid alternative payment models towards qualifying for Medicare incentive payments, we wanted to offer the following comments in response to CMS' Final Rule, *Merit-based Incentive Payment System (MIPS) and Alternative Payment Model (APM) Incentive under the Physician Fee Schedule, and Criteria for Physician-Focused Payment Models* (MACRA).

MHPA is the national trade association representing 126 private-sector health plans that contract with state Medicaid agencies in 34 states plus DC to provide comprehensive, high-quality health care to more than 24 million Medicaid enrollees in a coordinated and cost-effective way. According to a recent analysis by PWC, 70 percent of all Medicaid enrollees received their care through a private Medicaid health plan in 2015 (up from 66 percent in 2014),¹ and we expect this number to rise as more states turn to the expertise of managed care plans to help manage health care for a growing number of Medicaid enrollees with diverse needs.

¹ Gottlieb, Ari, *The Still Expanding State of Medicaid in the United States The trend towards Private Medicaid Health Plans continues, but how much more growth remains?*, PWC, November 2015.

Given our member plans' experience providing high-quality, value-based care—a key focus of the QPP—and recognizing the partnership many of our plans have with CMS, we would like to respectively submit the following comments for CMS' consideration related to the Other-payer Advanced APMs (All-Payer Combination Option) provision of the final rule, including standards related to Medicaid Medical Homes. We would welcome the opportunity to meet with you in person to offer the perspective of our members and to serve as a key partner moving forward.

Background

Medicaid MCOs have extensive experience providing high-quality, value-based care as well as experience designing and testing—often in partnership with states—alternative payment models (APMs). While provisions of the final MACRA rule do not directly impact Medicaid until the 2019 performance year for payment in 2021, we believe that Medicaid MCOs can play a meaningful role in helping providers participate in Advanced APMs through Other-Payer Advanced APMs.

Additionally, CMS' announcement of the Medicare-Medicaid ACO Model reinforces both the Agency's commitment to introducing additional Advanced APMs in coming months and CMS' recognition of Medicaid's role in the movement to value-based models for providers. In addition to building on current Medicaid and cross-payer APMs, we believe that Medicaid MCOs can leverage our expertise in quality-focused care and serve as a strong partner in the development of Other-Payer Advanced APMs that can incentivize the movement of more providers into value-based APMs.

Other-Payer Advanced APMs/All-Payer Combination Option

Medicaid MCOs are playing a key role in implementing payment and delivery reform models, including patient-centered medical homes (PCMH), episode-based payments, and accountable care organizations. Additionally, Medicaid MCOs and state Medicaid programs are key partners in many cross-payer efforts (e.g., State Innovation Models and all-payer models) and a number of states with reforms underway are already looking for ways to align Medicaid payment and delivery reform efforts and models with Advanced APM criteria under MACRA.

Other-Payer APMs Can Build on Existing MCO Efforts and Expertise.

As CMS looks to expand participation in alternative payment models to providers in Medicaid and the commercial insurance market, as well as design and launch more models under the Other-Payer Advanced APM option, we recommend that CMS continue to look at the current efforts of Medicaid MCOs, in partnership with states. CMS should assess opportunities to build on current models and programs—many of which incorporate health information technology, quality measurement, and risk as key components. The key take-aways from these programs can provide policy and operational tools to help ease provider burden as they transition into Advanced APMs and incentivize Medicaid providers to continue to provide essential, high-quality care to Medicaid beneficiaries. Further, because MCOs are working to measure and ensure quality of care while controlling costs, they continue to be a good avenue through which to test alternative payment models.

Other-Payer Advanced APMs Should Include Policies to Preserve Medicaid Beneficiary Access to MCOs.

In the final rule, CMS establishes nominal risk standards necessary to qualify as an Other-Payer Advanced APM; and we understand that CMS is requesting comments on the amount and structure of the nominal amount standard for Other-Payer Advanced APMs. Medicaid MCOs—and our provider partners—have experience with risk-based payment arrangements and are therefore well

positioned to operate within the Advanced APM construct. However, we strongly urge CMS to ensure that Other-Payer APMs—especially those that include Medicaid— incorporate appropriate protections to guarantee continued provider participation for physicians in markets beyond Medicare. Sufficient protections, such as ensuring appropriate payment levels, decreasing administrative burden, and streamlining requirements across programs, will help to ensure that providers continue to participate in the Medicaid program and promote access to quality care for Medicaid beneficiaries .As policies for the Medicaid program are developed, CMS should explore options to ensure continued provider participation in Medicaid, while also promoting participation in Other-Payer Advanced APMs as a mechanism to qualify for Medicare Advanced APM bonus payments.

Medicaid Medical Homes.

MHPA wants to express our support of CMS’ recognition of the important role Medicaid Medical Homes can play in improving care across the continuum. Many Medicaid MCOs have successfully partnered with Medical Homes through innovation value-based payment arrangements and we support continued efforts to shift patients into value-based care arrangements through these and other models.

Finally, MHPA would like to reiterate our commitment to serving as a key partner to CMS as you continue to develop Other-Payer Advanced APMs and ensure that APMs support the delivery and access to high-quality, value-based care for Medicaid beneficiaries, as well as for beneficiaries covered by other payers. We thank you for the opportunity to comment and welcome the opportunity to continue to offer the perspective of our members and serve as a key partner moving forward.

If you have any further questions regarding this correspondence, please contact Alexander Shekhdar, Vice President, Federal & State Policy at ashekhdar@mhpa.org Thank you.

Sincerely,

Jeff Myers
President & CEO, MHPA