



April 27, 2017

Physician-Focused Payment Model Technical Advisory Committee  
C/O Angela Tejada  
Office of the Assistant Secretary for Planning and Evaluation  
200 Independence Ave. SW  
Washington, DC 20201

Re: Public Comment – Oncology Bundled Payment Program Using CNA Guided Care

Dear Members of the Physician-Focused Payment Model Technical Advisory Committee (PTAC):

The National Association of ACOs (NAACOS) appreciates the opportunity to provide feedback on the Oncology Bundled Payment Program Using CNA Guided Care, a specialty model currently under PTAC's review. While NAACOS supports voluntary bundled payment models, we strongly oppose mandatory bundled and episode-based payment models. Current CMS policies related to the intersection of bundled and episode payments with ACOs hampers ACOs' ability to succeed and has the potential to divide specialists and primary care providers and diminish population health efforts.

The overlap of bundled and episode payment programs with ACOs creates conflicts when patients attributed to an ACO are also evaluated under a bundled payment program. Under current CMS policy, a bundled payment participant maintains financial responsibility for the bundled payment episode of care and any gains or losses during that episode are linked to the bundled payment participant and removed from ACO results following the close of the performance year. While CMS is testing an alternative policy by excluding Next Generation and Track 3 ACO beneficiaries from certain episodes, this exclusion does not apply to Track 1 or Track 2 beneficiaries, which comprise the majority of ACO beneficiaries. The problem is exacerbated by the fact that ACOs are not permitted to participate as bundlers. ACOs focus on, and make considerable investments in care coordination and improving care transitions to manage post-acute care effectively. Many successful ACOs credit these efforts for allowing them to achieve shared savings.

NAACOS believes any PTAC recommended episode models should be voluntary, and allow ACOs to voluntarily participate in such models. At a minimum, the savings generated should not be taken away from the ACO entity. Rather, ACO patients should be excluded from the bundle or episode payment. The current policy used by CMS creates conflicting program goals, and hampers ACOs' ability to succeed by deducting the savings from the ACO, when these savings are often generated in large part from the ACO's care coordination activities. Further, CMS has yet to fully evaluate the effects of overlap for existing bundled and episode payment model tests such as the Bundled Payments for Care Improvement Initiative (BPCI). NAACOS has called on CMS to conduct a rigorous analysis to determine the effect of overlapping value-based programs, including the interplay between bundled payment programs and ACOs before moving forward with additional programs. For example, it is critical that CMS examine not only spending changes for the bundled payment or episode but also any potential changes in overall volume of these episodes. Further analysis on the effect of bundled and episode payment models must be done taking total cost and volume of services into account before expanding such models.

It is critical that PTAC protect the goals of population health focused delivery models. These models, such as the ACO model, are just now gaining momentum and an evidence base to learn from. It is critical that we allow these models to realize their full potential. Therefore, it is important that PTAC's work does not undermine these efforts. NAACOS supports the exploration of new payment models, which will ultimately benefit all who are working to reform health care delivery and payment models to better support patients and to contain costs while providing exceptional care. However new payment reform efforts must work in tandem with existing models to prevent impeding on the progress organizations such as ACOs have worked so hard to accomplish to date. When considering new payment models, we urge PTAC to refrain from approving models which exacerbate the problem of siloed care by pitting population health models against other, more segmented approaches to reform.

Specialists play a key role in containing costs and coordinating a patient's care in the effort to focus on population health. It will be critical to work on including these specialists in population health focused models such as ACOs, rather than further isolating specialists with their own episodes without also including them in ACO efforts. NAACOS has concerns that PTAC's actions may result in a proliferation of siloed, specialty-focused care models. This has the potential to diminish the focus on population health, and the entirety of a patient's care.

In closing, we urge PTAC to consider these issues when evaluating specialty-focused care models such as the Oncology Bundled Payment Program Using CNA Guided Care. It is critical that new payment reform efforts complement, rather than compete with the work of existing delivery reform efforts. When considering new payment models, we urge committee members to refrain from approving models which exacerbate the problem of siloed care by pitting population health models against other, more segmented approaches to reform.

Respectfully,

A handwritten signature in black ink, appearing to read 'Clif Gaus', written in a cursive style.

Clif Gaus, Sc.D.  
President and CEO  
National Association of ACOs