

Opening Remarks
Chair Cathy McMorris Rodgers
**Subcommittee on Health Hearing: “Checking-In on CMMI:
Assessing the Transition to Value-Based Care”**
June 13, 2024

OPENING

Thank you, Chairman Guthrie, and thank you to Dr. Fowler for being here today.

The Center for Medicare and Medicaid Innovation was created to help improve how Medicare and Medicaid pay for health care and be an engine in our drive towards value-based care.

CMMI'S FAILURE TO LOWER COSTS

CMMI was given a 10-year, 10 billion dollar budget and extremely wide-ranging authorities with limited built-in congressional oversight.

The only directives Congress gave CMMI were to achieve two goals: lower the cost of delivering care and improve patient outcomes.

Over the last decade and a half, CMMI has tested over 50 models. Only two accomplished both of those goals.

When CMMI was created, the savings it was projected to generate were to be used to offset spending by the Affordable Care Act.

Originally, the Congressional Budget Office estimated that CMMI would save 1.3 billion dollars over its first decade of operation.

That same model also projected CMMI to save as much as 77.5 billion dollars in its second decade, from 2020 to 2030.

However, when CBO looked at the actual results in a September 2023 report, the disparity between those expectations and the reality proved to be staggering.

Instead of reducing spending by 1.3 billion dollars in the first decade, CMMI increased spending by 5.4 billion dollars.

For this second decade, instead of saving 77 and a half billion dollars, CBO is now projecting CMMI to increase spending by 1.3 billion dollars.

I have a hard time believing any objective observer could look at the results thus far and describe CMMI as a success.

So how do we move forward?

Today, we're joined by Dr. Elizabeth Fowler, the current Director of CMMI, to discuss the Center's work and understand why it has failed to live up to its intended purpose thus far.

I will note that Dr. Fowler has not been with CMMI throughout its entire existence.

In fact, CMMI has had multiple directors across multiple administrations.

But you are at the helm now and responsible for correcting this program's trajectory, and while there are some reasons for optimism, a lot of what I have seen is concerning.

CMMI STRAYING FROM ITS CORE MISSION

I've been disappointed to see CMMI devalue drugs approved through the FDA's Accelerated Approval Pathway—which FDA leadership confirmed meet the agency's gold-standard just a few weeks ago in this committee.

This pathway was designed to build on precision medicine, encourage innovation, and allow patients to access needed cures sooner, but CMMI's decision to cut reimbursements unilaterally for drugs approved via Accelerated Approval undercuts this mission.

In addition, when Congress passed MACRA, thanks in large part to the work of this Committee, CMMI was given a central role in driving Medicare's transition to value-based care.

While CMMI has developed and tested some new models, largely for primary care physicians, too many clinicians have been left without a pathway to participate in APMs.

I'm concerned that instead of focusing on fulfilling the role Congress gave CMMI in MACRA and working on developing new APMs, CMMI's focus has shifted to collecting information on

patients' food insecurity and housing needs and requiring providers to waste time writing ridiculous “health equity plans.”

SOME POSITIVE OUTCOMES

While I have concerns on the overall direction and lack of results with CMMI, there have been a few positive outcomes that deserve to be recognized.

Looking at CMMI’s most recent work, I am glad you are continuing to build on the Accountable Care Organization model.

While joining an ACO should not be the only pathway for providers to be able to participate in value-based care, these models are among the few that have actually managed to reduce overall spending and should not be abandoned.

I was encouraged to see CMMI work on trying to improve care for Alzheimer’s and dementia patients.

Sadly, most people know someone that has suffered from this terrible disease, and I hope that this model is successful in improving community-based care for those patients.

CLOSING

Lowering the costs of health care in this country has been a primary mission of this Committee this Congress. We are on an unsustainable path and must continue to find ways to reverse the current trend.

This makes it all the more important that CMMI carries out its intended mission and avoids pursuing an alternative agenda.

Dr. Fowler, I am grateful you are here to share your expertise and eager to hear what lessons CMMI has learned and how we can get it back on track to lower costs and improve care.

Thank you, and I yield back.