Committee on Energy and Commerce
Opening Statement as Prepared for Delivery
of
Full Committee Ranking Member Frank Pallone, Jr.

Hearing on "Checking-In on CMMI: Assessing the Transition to Value-Based Care"

June 13, 2024

I am pleased to welcome Dr. Elizabeth Fowler to discuss the important work the Center for Medicare and Medicaid Innovation (CMMI) is undertaking to lower health care costs and improve quality of care.

While more Americans have health care today than ever before—thanks in large part to the Affordable Care Act (ACA) and the Inflation Reduction Act—we must continue to work to address high health care costs and the financial burden medical bills pose for American families. Our health care system is complex and challenging, and there are many drivers of high health care costs.

The ACA established CMMI to test innovative models that could improve quality of care and reduce costs for beneficiaries enrolled in Medicare, Medicaid, and the Children's Health Insurance Program (CHIP). The ACA gave CMMI broad authority to develop models through demonstrations with the goal of improving patient care, or lowering costs while improving quality of care.

Over the past decade, CMMI has developed more than 50 models and millions of Americans have benefited from the Innovation Center's activities. In the last two years alone, more than 41 million beneficiaries were impacted or benefitted from the Innovation Center's multi-payer models, and more than 314,000 health care providers participated in the payment and service delivery models.

I am pleased that CMMI has developed and tested a broad range of models that reward health care providers for delivering high-quality care while reducing costs or improving patient outcomes. For instance, the Accountable Care Organization (ACO) models have resulted in significant savings and incentivized efficiency while encouraging providers to deliver high-quality care. The ACO Investment Model offered advance payments to ACOs and the results of the model demonstrated significant savings. Similarly, the ACO REACH model encourages providers to work together in ACOs to improve quality of care for Medicare beneficiaries through better care coordination, including those beneficiaries who are underserved.

The ACO models have also continued to inform policies under the Medicare Shared Savings Program (MSPP), which currently services more than 11 million beneficiaries across 483 Medicare ACOs and ensures that value-based health care is delivered to beneficiaries. To date, the MSPP has generated $1.6 billion in savings while producing high-quality performance results.

I am also pleased that CMMI has announced additional models that include opportunities for expanding access to primary care. Both the ACO Primary Care Flex and the Making Care Primary aim to improve quality of care for beneficiaries through increasing investments in primary care, and I believe these investments have the potential to improve access to high-quality primary care services.

CMMI has also developed models to promote chronic disease prevention and improve care coordination for some of the leading causes of morbidity and mortality in the United States, such as cancer, diabetes, dementia, and maternal mortality. It is important that evaluations of the Innovation Center's work capture the full benefits of these models and take into account improvements in quality. Models that achieve significant quality improvements and address health equity without raising costs are also meaningful investments in high-value care. We must also consider improvements in quality in order to have a full and accurate understanding of the Innovation Center's full impact.

Lastly, I am glad that CMMI is taking steps to improve access and quality of care for Medicaid beneficiaries. For example, CMMI recently announced the Transforming Maternal Health Model to promote access to maternal health services and supports. Women enrolled in Medicaid often experience disparities in maternal health care and health outcomes for themselves and their newborns. This model seeks to address those challenges by partnering with state Medicaid agencies to implement initiatives such as patient safety bundles and promote access to the services and supports of midwives, doulas, and perinatal community health workers.

CMMI also announced the Cell and Gene Therapy Access Model, which will test a CMS-led approach to negotiating outcomes-based agreements with manufacturers of cell and gene therapies, starting with Sickle Cell Disease. Sickle Cell Disease affects approximately 100,000 people in the U.S., the majority of whom are Black Americans. New cell and gene therapies hold incredible promise—but have high upfront costs. I commend CMS's efforts to reduce program expenditures while ensuring that these treatments are accessible for all Americans who need them.

I look forward to hearing from Dr. Fowler on the lessons learned from the Innovation Center's first ten years, and about CMMI's ongoing work to improve the nation's health care system. Thank you, Dr. Fowler, for being here today. I yield back.