



February 20, 2020

The Honorable Terri Sewell
U.S. Representative
2201 Rayburn HOB
Washington, D.C. 20515

The Honorable Adrian Smith
U.S. Representative
502 Cannon HOB
Washington, D.C. 20515

The Honorable Tony Cardenas
U.S. Representative
2438 Rayburn HOB
Washington, D.C. 20515

The Honorable John Shimkus
U.S. Representative
2217 Rayburn HOB
Washington, D.C. 20515

The Honorable Kurt Schrader
U.S. Representative
2431 Rayburn HOB
Washington, D.C. 20515

The Honorable Brad Wenstrup
U.S. Representative
2419 Rayburn HOB
Washington, D.C. 20515

Dear Representatives Sewell, Smith, Cardenas, Shimkus, Schrader, and Wenstrup:

We are writing today to express concern about the recently-introduced H.R. 5741, Strengthening Innovation in Medicare and Medicaid Act. We support value-based care as the future of our health care system, and believe that the CMS Innovation Center plays a valuable role in testing a range of new payment and delivery models.

The Partnership to Empower Physician-Led Care (PEPC) is a membership organization dedicated to supporting value-based care to reduce costs, improve quality, empower patients and physicians, and increase access to care for millions of Americans through a competitive health care provider market. We believe that it is impossible to achieve truly value-based care without a robust independent practice community. Our members include Aledade, American Academy of Family Physicians (AAFP), California Medical Association, Florida Medical Association, Medical Group Management Association (MGMA), and Texas Medical Association's Practice Edge. We also have individual and small medical group supporters across the country, many of whom are independent physicians or practices and wish to remain so.

We believe that physicians – especially independent physician practices– are the linchpin of our nation's health care system. They have repeatedly demonstrated their superior ability to generate positive results in value-based care arrangements, both in improved health outcomes and reduced costs. In our vision of the future, this important piece of the health care system not only survives, but thrives as a result of policies that place independent physicians on a level playing field with other providers and opportunities to test new models with components that reflect their unique circumstances.

We appreciate your goal of ensuring that models tested by the Innovation Center do not disproportionately impact minority, rural and underserved population, or safety net, rural and critical access providers. We share that goal and further advocate that models tested by the Innovation Center should not disproportionately benefit one type of provider or physician practice over another.

As an example, we have long advocated that the amount of risk a provider is required to assume should be tailored to reflect their unique financial circumstances. Revenue-based risk standards ensure that



independent physicians and hospitals alike are required to take on proportional amount of risks. We have found CMS to be receptive to these concerns, and the flexibility afforded to the Innovation Center allows it to change course when needed as a result of evidence and stakeholder feedback. We urge you to ensure that the CMS Innovation Center retains its authority to test new and innovative models that allow for the transition from fee-for-service to value-based payment.

Given that there is an urgent need to establish proven methods that improve quality and reduce costs, we urge the Innovation Center to prioritize testing of physician-led models to increase viable options for and broad adoption by independent physicians. We believe that guidance and/or “guardrails” around the Innovation Center’s work should focus on the types of innovations that should be tested (e.g., physician-led models that focus on moving clinicians up the risk glidepath) rather than the circumstances under which they should be tested. The Innovation Center should be allowed to operate freely so that there are a range of options for physicians and physician practices to choose from when considering making the shift from fee-for-service medicine to value-based care.

Please do not hesitate to reach out if we can be a resource to you. I can be reached at kristen@physiciansforvalue.org or (202) 640-5942.

Sincerely,

Kristen McGovern
Executive Director

Cc: The Honorable Richard Neal
The Honorable Kevin Brady
The Honorable Lloyd Doggett
The Honorable Devin Nunes