

Congress of the United States
Washington, DC 20515

June 23, 2016

The Honorable Andy Slavitt
Acting Administrator
Centers for Medicare and Medicaid Services
U.S. Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244

Dear Acting Administrator Slavitt:

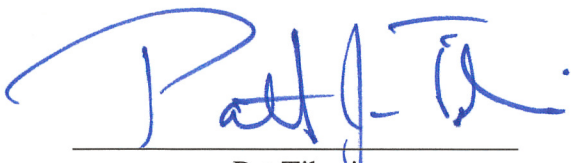
As the Centers for Medicare & Medicaid Services (CMS) continues its Medicare payment reform efforts, we write to urge the agency to use its existing authority, where appropriate, to more broadly waive regulatory barriers that limit care coordination and collaboration. Such regulations were designed for the Medicare fee-for-service (FFS) environment; their waiver is necessary to allow payment reform to more effectively move into the post-FFS era, thereby producing more insightful lessons for policymakers and innovators developing the next generation care delivery system.

CMS's payment reform models fall into one of two categories: 1) those that maintain the underlying incentives of FFS Medicare, where taxpayers bear all of the financial risk, such as Track 1 accountable care organizations (ACOs); and 2) those that change FFS incentives by requiring providers to share financial risk with taxpayers, such as the Comprehensive Care for Joint Replacement (CJR) Model. It is this second category of payment reform models, sometimes referred to as "down-side risk" models, that are the proper target for waiver of regulatory barriers. The continued application of FFS regulatory barriers within downside risk payment reform models often hinders providers' ability to identify and place beneficiaries in the most clinically appropriate setting. It also inhibits their ability to test new, more patient-centered and streamlined clinical pathways. To facilitate these advances, we encourage CMS to grant providers – both hospitals and post-acute care providers – in all downside risk payment reform models greater flexibility in designing and testing new clinical and payment approaches. We urge CMS, to the greatest extent of its authority, to waive the regulations (such as the Long-Term Care Hospital 25 percent rule) that CMS or Congress established for use in FFS reimbursement that stymie the redesign of episodes of care that involve both hospital and post-acute care services and other cross-setting innovations.

We believe that testing new approaches in an environment free from artificial barriers to care coordination will more effectively advance patient-centered solutions that improve clinical outcomes and reduce overall costs and variation.

In addition, we encourage CMS to consider new payment approaches for Inpatient Rehabilitation Facilities and Long Term Care Hospitals. These higher-cost settings face challenges within downside risk payment reform models because currently, any new efficiencies achieved are not reflected in their per-discharge Medicare reimbursement. Hospitals and other stakeholders, in order to effectively partner with these settings within downside risk payment reform models, need more flexibility.

Sincerely,



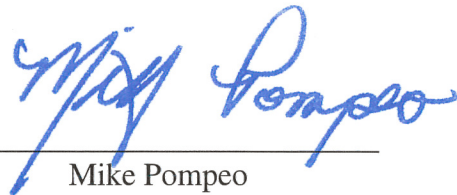
Pat Tiberi
Member of Congress



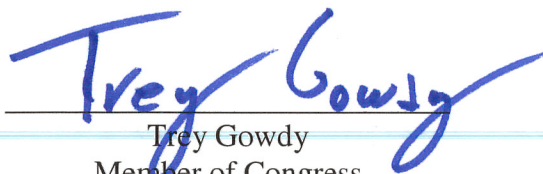
Ron Kind
Member of Congress



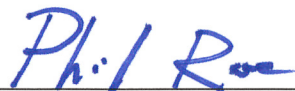
Mike Rogers
Member of Congress



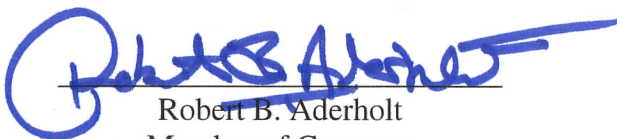
Mike Pompeo
Member of Congress



Trey Gowdy
Member of Congress



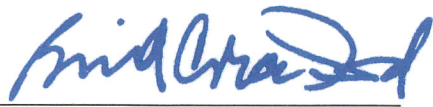
Phil Roe, M.D.
Member of Congress



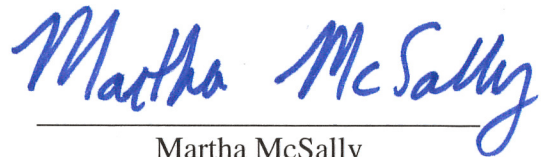
Robert B. Aderholt
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H. Morgan Griffith
Member of Congress



Rick Crawford
Member of Congress



Martha McSally
Member of Congress



Lou Barletta
Member of Congress



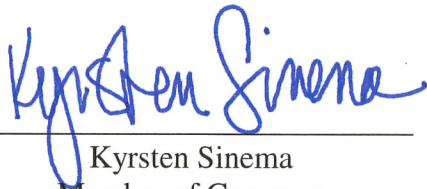
Collin C. Peterson
Member of Congress



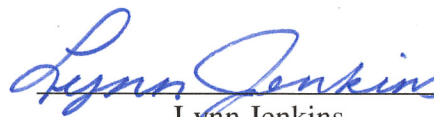
Will Hurd
Member of Congress



John Culberson
Member of Congress



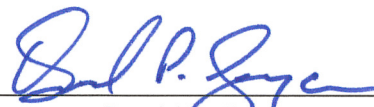
Kyrsten Sinema
Member of Congress



Lynn Jenkins
Member of Congress



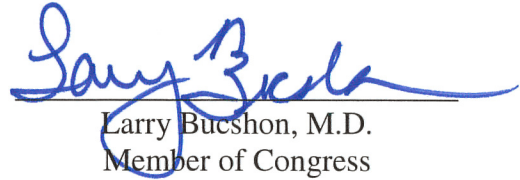
Doug Lamborn
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David P. Joyce
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Frank LoBiondo
Member of Congress



Larry Bucshon, M.D.
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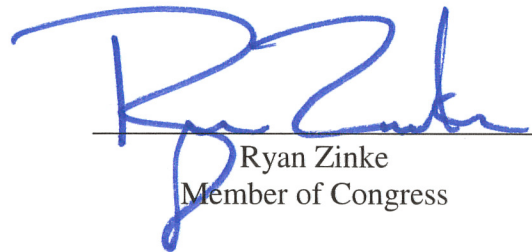
Glenn 'GT' Thompson
Member of Congress



Louie Gohmert
Member of Congress



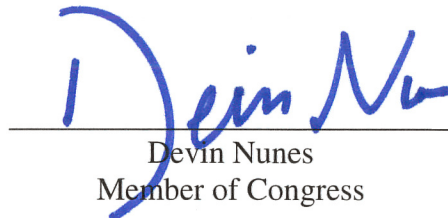
Jason Smith
Member of Congress



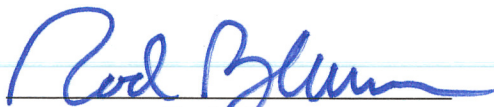
Ryan Zinke
Member of Congress



Martha Roby
Member of Congress



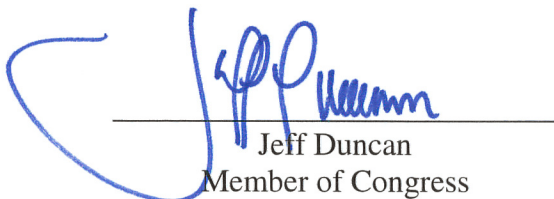
Devin Nunes
Member of Congress



Rod Blum
Member of Congress



Charles Boustany, Jr., M.D.
Member of Congress



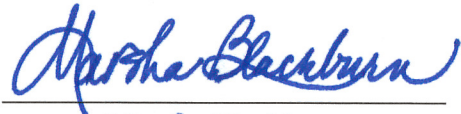
Jeff Duncan
Member of Congress



Sam Farr
Member of Congress



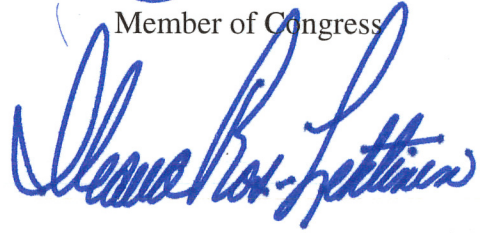
Joe Wilson
Member of Congress



Marsha Blackburn
Member of Congress



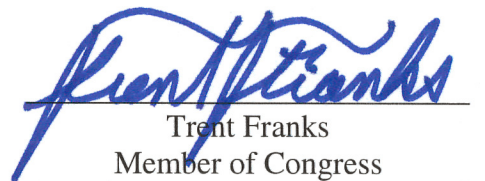
Mick Mulvaney
Member of Congress



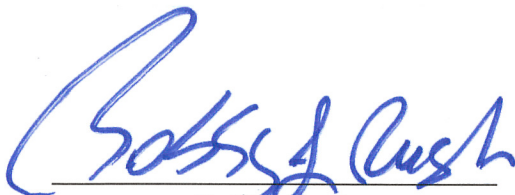
Ileana Ros-Lehtinen
Member of Congress



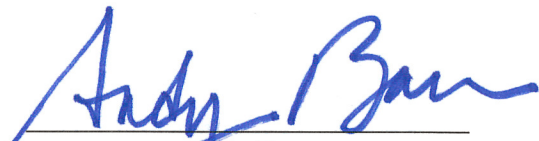
Mo Brooks
Member of Congress




Trent Franks
Member of Congress



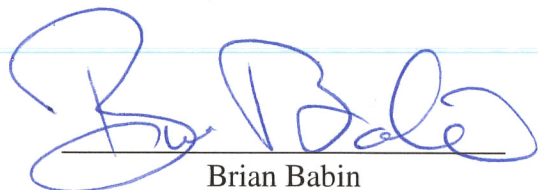
Bobby Rush
Member of Congress



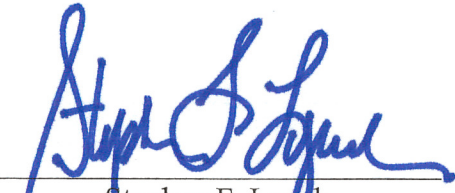
Andy Barr
Member of Congress




Rick W. Allen
Member of Congress



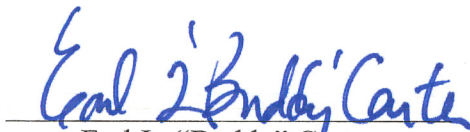
Brian Babin
Member of Congress



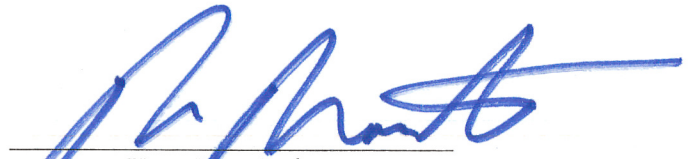
Stephen F. Lynch
Member of Congress



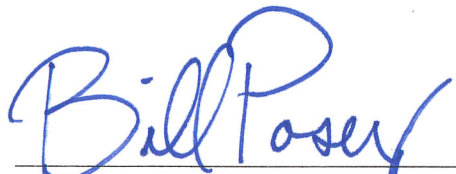
Robert J. Wittman
Member of Congress



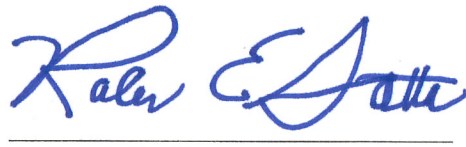
Earl L. "Buddy" Carter
Member of Congress



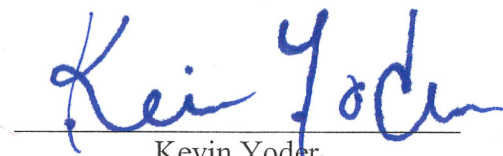
Tom MacArthur
Member of Congress



Bill Posey
Member of Congress



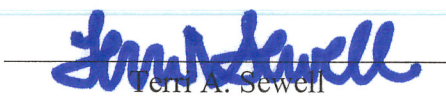
Robert E. Latta
Member of Congress



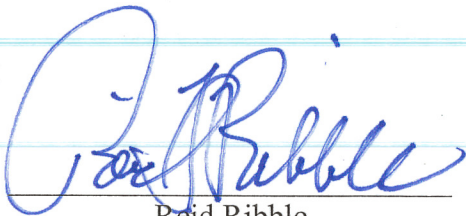
Kevin Yoder
Member of Congress




French Hill
Member of Congress



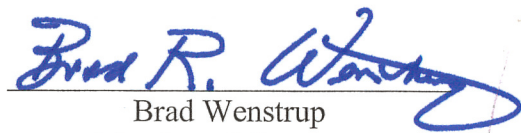
Tom A. Sewell
Member of Congress



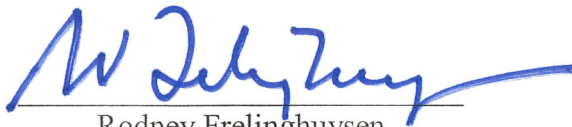
Reid Ribble
Member of Congress



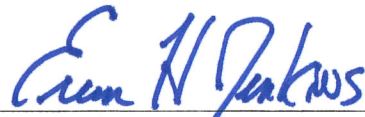
Bruce Westerman
Member of Congress



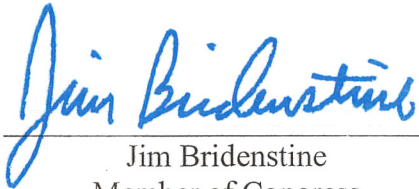
Brad Wenstrup
Member of Congress



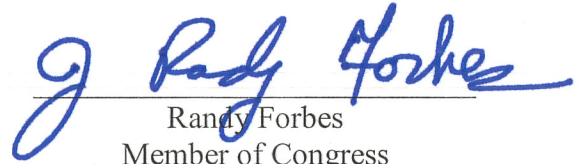
Rodney Frelinghuysen
Member of Congress



Evan Jenkins
Member of Congress



Jim Bridenstine
Member of Congress



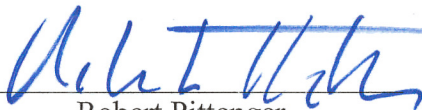
Randy Forbes
Member of Congress



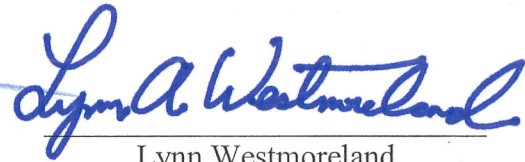
Mike Coffman
Member of Congress



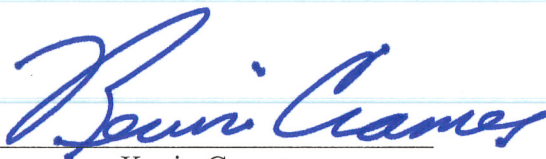
Steve Womack
Member of Congress



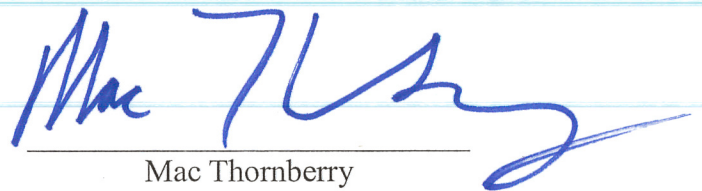
Robert Pittenger
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Lynn Westmoreland
Member of Congress



Kevin Cramer
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Mac Thornberry
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Mark DeSaulnier
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Darin LaHood
Member of Congress



Pete Olson
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Adam Kinzinger
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Ralph Abraham
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Mike Kelly
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Thomas Massie
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Scott Peters
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