CMS Takes the Lead in Cardiology Payment Reform—Announces 516 Participants in Its Million Hearts® Cardiovascular Disease Risk Reduction Model

By Tara Ravi

The potential for cardiovascular care delivery and payment models has substantially changed now that the Centers for Medicare & Medicaid Services (“CMS”) officially rolled out its Million Hearts® Cardiovascular Disease Risk Reduction Model. This announcement arrives on the heels of CMS’ Oncology Care Model¹ and Home Health Value-Based Purchasing Model.² Hospital care value-based models have already spurred significant investment in provider and medical staffing services (capturing preventative care opportunities) and healthcare information technology (capturing medical data across provider groups). Similarly, this announcement in the cardiology sector and recent announcements in the oncology and home health sectors may spur investment opportunities.

On July 21, 2016, CMS announced that it has selected 516 awardees to participate in the five-year model beginning in September 2016. The Million Hearts® Cardiovascular Disease Risk Reduction Model seeks to prevent one million heart attacks and strokes, and improve quality while reducing costs among an aging population. The model is designed in collaboration with the Centers for Disease Control and Prevention to decrease cardiovascular disease risk by assessing an individual patient’s risk for heart attack or stroke and applying prevention interventions, e.g., smoking cessation interventions, blood pressure management, or cholesterol-lowering drugs or aspirin. The model will use a predictive modeling approach to generate personalized risk scores and develop specific plans to reduce the risk of having a heart attack or stroke. Organizations in the intervention group will be paid for reducing the absolute risk for heart disease or stroke among their high-risk beneficiaries. Overall, nearly 3.3 million Medicare fee-for-service beneficiaries will participate in the model.

Over the past 3 years, the healthcare provider and staffing segment has been the most active healthcare investment sector in the U.S., spurred in part by federal and state preventative care and reimbursement incentives. In 2016, however, the provider segment has slowed down while investment in healthcare information technology has seen a continual increase. Given the mid-2016 start dates for the Million Hearts® Cardiovascular Disease Risk Reduction Model and the Oncology Care Model, we will observe whether these federal funding and incentive programs will reinvigorate investment in the healthcare provider segment.

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1 The Oncology Care Model is a five-year model that begins on July 1, 2016, and runs through June 30, 2021, and focuses on Medicare fee-for-service beneficiaries receiving chemotherapy treatment. Participants agree to financial and performance accountability for six-month episodes of care. An episode of care includes all Medicare Part A and Part B services, as well as some Part D costs. Treatments and services prior to the triggering chemotherapy session are not included in the episode.

2 CMS announced on June 27, 2016, its proposal for the 2017 Medicare home health prospective payment system, which includes a value-based purchasing pilot to begin in 2018. Beginning in 2018, participating states will see rates adjusted annually up or down by 3%, depending on how their Medicare home health agencies meet CMS-determined performance metrics. In 2022, the adjustment is increased to 8%. The pilot states are: Arizona, Florida, Iowa, Maryland, Massachusetts, Nebraska, North Carolina, Tennessee, and Washington.