

MAKING CARE PRIMARY: CMS ANNOUNCES A NEW PRIMARY CARE MODEL

On June 8, 2023, the Centers for Medicare & Medicaid Services ("CMS") **announced** the Making Care Primary Model ("Model"), a new multi-payer, voluntary primary care model tested by the Center for Medicare and Medicaid Innovation ("CMMI") and aimed at strengthening the primary care infrastructure for Medicare and Medicaid patients. The Model focuses on primary care organizations with limited experience in alternative payment models, offering a pathway for small, independent, rural and safety-net providers, including Federally Qualified Health Centers ("FQHCs") and Indian Health Services facilities to enter value-based care arrangements by providing additional revenue to build infrastructure to improve patient care and reduce avoidable costs. The Model builds upon previous primary care models from CMMI, such as Comprehensive Primary Care ("CPC"), CPC+, and Primary Care First ("PCF").

CMS will test the Model in eight states: Colorado, Massachusetts, Minnesota, New Jersey, New Mexico, New York, North Carolina and Washington. CMS is working with Medicaid agencies from these eight states to design Medicaid programs to align with the Model in key areas and plans to engage private payors in the coming months to implement similar programs.

The application period will open late summer 2023 for primary care organizations in participating states, with the Model set to start July 1, 2024 and continue through December 31, 2034.

The Model homepage can be found [here](#).

BACKGROUND

In 2021, CMMI published a revised set of strategic objectives to guide its mission of transforming the nation's health care delivery system through high-quality, affordable, person-centered care. One of CMMI's objectives is to drive accountable care, which CMMI believes will reduce fragmentation in patient care and lower the total cost of care. Specifically, CMMI aims to have all Medicare fee-for-service beneficiaries and the vast majority of Medicaid beneficiaries in a caring relationship with accountability for quality and total cost of care by 2030. CMMI also promised to aggressively engage payors, states and other stakeholders as partners on payment and policy approaches in an effort to achieve health system transformation more effectively and efficiently. Further, the Biden Administration has indicated that one of its priorities is to better engage with providers and patients that have not yet had the opportunity to participate in value-based care, either because of financial or structural barriers. The Model is a step toward all of these objectives: it targets care fragmentation and bolsters primary care infrastructure by providing primary care providers with varying levels of experience in value-based care an opportunity to receive enhanced model payments, tools and additional resources to achieve better-coordinated care and promotes payer alignment on incentives, tools and supports in an effort to improve primary care for all patients, including those covered by Medicaid and commercial payors.

MODEL OVERVIEW

- The Model will involve three progressive tracks to provide flexibility for participating providers to choose the track that best fits their experience level with alternative payment models. The three tracks include varying levels and types of financial support and payment options to help participants deliver advanced primary care, including prospective payments for primary care, risk-adjusted enhanced services payments and progressively greater opportunities to earn financial rewards for improving patient health outcomes. Notably, Track 3 offers a fully prospective, population-based payment option that is not available in the Medicare Shared Savings Program.
- In order to be eligible to apply to participate in the Model, an organization must bill for health services furnished to a minimum of 125 attributed Medicare beneficiaries and have the majority of their primary care sites located in one of the eight Model states.
- Rural Health Clinics, concierge practices, current Primary Care First practices, current ACO REACH Participant Providers and Grandfathered Tribal FQHCs are not eligible for the Model. In addition, organizations will not be able to participate in both the Model and the Medicare Shared Savings Program after the first six months of the Model's effective date.
- The Model includes several components CMMI believes will improve health equity, including: (1) an adjustment of some payments for clinical indicators and social risk; (2) a requirement that participants develop a strategic plan for identifying and reducing health

disparities; and (3) allowing participants to reduce cost-sharing for patients in need.

KEY DATES

- Late Summer 2023 – Application Period Opens
- July 1, 2024 – First Performance Year Begins

PRACTICAL TAKEAWAYS

- The Model presents a new opportunity for small, independent, rural and safety-net providers, including Federally Qualified Health Centers and Indian Health Services facilities, to participate in value-based care by contracting directly with CMS, rather than through an ACO.
- Organizations considering participation in the Model will need to weigh the pros and cons of this Model in comparison with the ACO REACH model and MSSP, as primary care organizations will not be able to participate in these models concurrently.
- The Model's 10.5-year period and alignment with state Medicaid programs may make it easier for providers to commit to investment in the infrastructure necessary to participate successfully in value-based care.
- Prospective participants in the eight test states should review the Model's eligibility requirements and determine their participation track.
- CMS will release a Request for Applications and commence the application period in late summer 2023. Organizations that are considering applying to join the Model should watch for further technical detail on the Model, which CMS will likely release later this summer in advance of the application period.

If you have questions related to the Model or would like assistance preparing for participating, please contact:

- **Scott Strickland** at (919) 447-4965 or sstrickland@hallrender.com;
- **Megan Culp** at (317) 429-3644 or mculp@hallrender.com;
- **Brian Bauer** at (248) 457-7821 or bbauer@hallrender.com;
- **Laetitia Cheltenham** at (919) 447-4968 or lcheltenham@hallrender.com; or
- Your regular Hall Render attorney.

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