



August 9, 2017

**VIA ELECTRONIC MAIL**

Jeffrey Bailet, MD  
Committee Chairperson  
PTAC  
c/o Office of Assistant Secretary for  
Planning and Evaluation, Room 415F  
200 Independence Ave, NW  
Washington, DC 20201

Elizabeth Mitchell  
Committee Vice Chairperson  
PTAC  
c/o Office of the Assistant Secretary for  
Planning and Evaluation, Room 415F  
200 Independence Ave, NW  
Washington, DC 20201

Dear Dr. Bailet and Ms. Mitchell:

As a broad-based group of 43 health care stakeholders representing patients, purchasers, payers and providers, the Health Care Transformation Task Force (HCTTF) strongly supports the transition to value-based payment and care delivery. Our payer and provider members are committed to having 75 percent of the businesses in value-based payment arrangements by 2020.

The HCTTF supports the important work of the Physician-Focused Payment Model Technical Advisory Committee (PTAC). To show support for this initiative, the HCTTF developed the attached statement on the PTAC which offers recommendations to make the PTAC even more effective. We hope you will find the statement useful in helping the PTAC realize its full potential.

If you have any questions about the statement, please contact HCTTF Executive Director Jeff Micklos ([jeff.micklos@hcttf.org](mailto:jeff.micklos@hcttf.org) or (202) 774-1415.

Sincerely,

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cc: John O'Brien, ASPE  
Mary Ellen Stahlman, ASPE



**STATEMENT OF**  
**THE HEALTH CARE TRANSFORMATION TASK FORCE**  
**ON**  
**THE PHYSICIAN-FOCUSED PAYMENT MODEL TECHNICAL ADVISORY COMMITTEE**

The Health Care Transformation Task Force (“HCTTF”) strongly supports the transition to value-based payment and care delivery. As a 43 member consortium comprised of patients, providers, payers and purchasers, we strive to accelerate the pace of value-based transformation. Our payer and provider members are committed to placing 75 percent of their business into value-based payment arrangements by 2020.

Given the HCTTF’s charge and commitment, we support the Physician-focused Payment Model Technical Advisory Committee (“PTAC”) and its mission to evaluate stakeholder-proposed, physician-focused payment models (“PFPMs”) and, when appropriate, recommend models to the Department of Health & Human Services (“HHS” or “the Department”) for testing by the Centers for Medicare & Medicaid Services (“CMS”). The PTAC stands to serve an important role in promoting innovation that drives patient-centered, high quality health care.

**A. PTAC’s Impact on the Overall Transformation Landscape Is Critical**

The HCTTF supports the PTAC’s work as an important mechanism for advancing promising PFPMs from the private sector into the public Medicare program. The PTAC provides a great opportunity for an effective public-private partnership to promote transformation to value-based payment and care delivery.

While a promising structure, the PTAC appears to face significant challenges to achieving its maximum effectiveness. By its very nature, the PTAC is responsive to specific models proposed by the private sector, and it is charged with evaluating those models individually. The PTAC has no control over the variety and timing of proposed models, and has been asked to manage a considerable caseload while continually moving the docket forward. Thus, this process does not lend itself well to also addressing the important query of how individually proposed models fit into the broader landscape of a modern delivery system that is transitioning to focus on value of care and away from volume of services.

The Center for Medicare & Medicaid Innovation (“CMMI”) has learned that anticipating and addressing model overlap is an important factor in effectively managing a full portfolio of value-based payment programs. When multiple alternate payment models were implemented in parallel during the early days of CMMI, the impact of increasing instances of overlap among APMs at the provider and beneficiary level was not fully appreciated. The reactive approach to addressing model overlap through exclusions and precedence has created unintended consequences that run counter to the goal of encouraging more coordinated care.

The interaction of various payment models at risk of overlap should receive a careful examination and balancing of factors to drive a meaningful solution during initial model consideration.

The earlier potential overlap issues are anticipated and addressed through synchronization efforts, the more effective a final model design can be. We believe the PTAC would be well advised to add this query to its evaluation methodology.

Accordingly, the HCTTF urges the PTAC to consider the interconnectedness of the entire portfolio of models that they recommend to the Department and seek to synchronize those models under the following initial principles:

- **The Committee should consider model interaction.** While model applications should be evaluated on their own merit, a component of the assessment should also determine how the new models may interact with existing (or previously recommended) models, and whether those models can be synchronized to achieve cost, quality, and patient-centered objectives.
- **Models that encourage synchronization across APMs should be prioritized.** The interpretation of the “Integration and Care Coordination” criterion should consider integration of the multiple payment models impacting practitioners delivering care to the population treated under the proposed PFP.
- **The recommendation to test new models and subsequent implementation should address model overlap.** The PTAC currently has 11 proposals and 16 Letters of Intent (in addition to the two models recommended to the Secretary in April), with the majority of proposed PFPs being specialty-focused or episode of care models. The PTAC and CMS should consider the Task Force’s [principles for managing model overlap](#) in making recommendations for and implementing new models.

#### **B. PTAC’s Application and Review Process Should be Modified**

Early industry experience with the PTAC’s process reveals opportunities for improvement and to reduce the burden for those who submit model proposals. To promote a more collaborative process, we recommend the following modifications to the PTAC application and review process:

- **The model review process should be iterative.** The current process does not explicitly allow for a secondary review with modifications following an initial rejection. Promising models should have opportunity to be refined based on substantive comments emanating from the PTAC review process with the benefit of additional time to adequately address the concerns.
- **Technical assistance should be made available to submitters.** Models submitted to the PTAC could be modified to meet the high priority criteria established for review, or to meet the subsequent needs of CMS to evaluate and implement the model. Proposal submitters should receive assistance from PTAC and/or CMS prior to submission as needed to modify the models.
- **CMS should provide the PTAC with additional technical support.** HCTTF members regularly express the concern that meaningful data to analyze model feasibility is limited in availability, and the best data resides with CMS. Thus, CMS should make available data to the PTAC to support its determination of model feasibility, including model synchronization situations. Supporting data and analysis should be made available during the PTAC review process and prior to the deliberation and vote.

**C. Model Proposals which Include Proprietary Technology Should Not Be Advanced without Guaranteed Public Access to the Technology**

The PTAC has already received and recommended proposals that include proprietary technologies as an integral component of the payment model. While supportive of worthy innovative payment models, the HCTTF is concerned about PTAC recommending to HHS any models that would require the use of certain proprietary technology or algorithm as a prerequisite for adoption. We do not believe the PTAC process should be leveraged for commercial advancement of a proprietary product or service. If the submitter can separate the technology from the model, or ensure that the technology will be made publicly available, PTAC review should continue. If those conditions cannot be achieved, the HCTTF believes the model proposal should not be recommended for testing regardless of its merits.

**D. HHS's Process for Addressing PTAC Recommendations Should Be Transparent and Promote Model Synchronization**

The HCTTF urges the Department to publicly explain its policy for acting upon PTAC recommendations. Given that the governing law does not impose a mandatory course of action for HHS to follow, the public would benefit from a better understanding of HHS's plans in this regard. While CMMI follows a standard approach to new model development, it is not clear if that approach will apply to PTAC recommendations. Transparency is critical for ongoing public confidence in the process and to respect the contributions of the private sector stakeholders who are advancing proposed models.

Also, the Department should proceed deliberately in considering models for testing. As noted above, the HCTTF is concerned about the potential for certain models to not synchronize well with other models. Also, the PTAC's output over time could lead to a series of very specific clinical episode models that must be daisy chained together to foster a broader value-based delivery system. In our opinion, both outcomes are less than optimal.

Thus, CMS should consider collecting several PTAC recommendations before moving forward with testing any particular model. Possibly with the PTAC's input, HHS (presumably through CMS) should analyze which of the recommended models have the best outlook for synchronizing with each other and/or existing payment models. By adding this important query up front, this process will reflect an attempt to improve based on learnings from CMMI's early experiences. In this way, the process will be better suited to properly advance the goal of achieving value-based arrangements that successfully incentivize and hold providers accountable for the total cost, patient experience, and quality of care for a population of patients whenever possible.

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The HCTTF appreciates the opportunity to share this statement with the PTAC and HHS and stands ready to work with both entities to advance and accelerate the transformation to value-based payment and care delivery. Please contact HCTTF Executive Director Jeff Micklos ([jeff.micklos@hcttf.org](mailto:jeff.micklos@hcttf.org) or 202.774.1415) or HCTTF Director of Payment Reform Models Clare Wrobel ([clare.wrobel@hcttf.org](mailto:clare.wrobel@hcttf.org) or 202.774.1565) with questions or information needs related to this Statement.