CMS Proposes Bundled Payment Model for Cardiac Care

The Centers for Medicare & Medicaid Services (CMS) released a proposed rule that introduces bundled payment models for cardiac services in an effort to promote coordinated care, improve the quality of care and decrease costs for heart attack patients.

The plan calls for randomly selected hospitals in 98 markets (excluding rural hospitals) to be required to take part in the bundled payment model starting July 1, 2017.

A demonstration of bundled payments for cardiac care previously produced modest savings. The pilot involved 28 procedures and saved $319 per patient. CMS also looked to a demonstration of bundled payments for cardiac care in the Geisinger Health System, which produced a 45% reduction in 30-day readmissions, a 10% increase in discharges to patients’ homes and a 21% decrease in patients who reported complications. The program also eliminated in-hospital mortality, which was already low.

The U.S. Department of Health & Human Services (HHS) also proposed a new cardiac rehabilitation model and a pathway that helps physicians who are heavily involved in bundled payment models to qualify for incentives as part of the Quality Payment Program, which was proposed as part of the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA).

According to American College of Cardiology president Dr. Richard A. Chazal, "The CMS proposed regulation on bundled care models for heart attack and bypass surgery, along with a payment incentive model intended to increase utilization of cardiac rehabilitation, represent efforts in this direction. In addition, Dr. Chazal wrote in a statement, “CMS is moving in the right direction by proposing tracks under these new models that may qualify as Advanced Alternative Payment Models under MACRA—providing new ways for specialists to be rewarded for delivering quality care.”

The announcement is another step toward accomplishing HHS’s goal of having 50% of Medicare payments tied to alternative payment models (APMs) by the end of 2018. Currently, more than 30% of Medicare Part A and Part B payments are tied to APMs.

Under the proposed rule, HCAHPS data would be included as a quality measure for most bundles and there will be no additional survey requirements.

The proposal also expands the new hip- and knee-replacement bundle (enacted in April 2016) to include other surgeries, including those for the femur.