



# U.S. House of Representatives

COMMITTEE ON WAYS AND MEANS  
1139 LONGWORTH HOUSE OFFICE BUILDING  
Washington, DC 20515

April 28, 2025

The Honorable Mehmet Oz, M.D.  
Administrator, Centers for Medicare and Medicaid Services  
U.S. Department of Health and Human Services  
7500 Security Boulevard  
Baltimore, MD 21244

The Honorable Abraham Sutton  
Director, Center for Medicare and Medicaid Innovation  
U.S. Department of Health and Human Services  
7500 Security Boulevard  
Baltimore, MD 21244

Dear Administrator Oz and Director Sutton,

We write to express our interest in the priorities of the Center for Medicare and Medicaid Innovation (CMMI) under the Trump Administration. Congress created CMMI to build on the promise of value-based care by testing innovative care delivery and payment models that improve care quality and reduce costs to the government. We are concerned with the Center's history of developing costly models that either fail to meet or are not on track to meet that standard which is rooted in statute. Furthermore, we strongly believe that prioritizing transparency and communication around changes to models is necessary for delivering stability and predictability to participants and will lead to more efficient model operations. We believe that with the right leadership, CMMI can produce models that promote value over volume, result in meaningful program savings, improve care for the most vulnerable beneficiaries living in rural and underserved communities, and better incorporate public input.

CMMI has a track record of promoting a political agenda ahead of its Congressionally mandated purpose. This fact was demonstrated during the Biden Administration by a 2021 "Strategy Refresh"<sup>1</sup> published by CMS that declared CMMI would focus on promoting a health equity agenda and minimized the importance of cost savings in models. Accordingly, the Congressional Budget Office found that CMMI increased direct spending by \$5.4 billion in its first decade. In its nearly 15-year lifetime, only 6 out of more than 50 models have yielded significant savings.<sup>2</sup> We were pleased to see CMMI recommit to the goal of pursuing payment models that will save money, including concluding or modifying existing models to achieve savings as evidenced in a recent press release.<sup>3</sup>

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<sup>1</sup> <https://www.cms.gov/priorities/innovation/strategic-direction-whitepaper>

<sup>2</sup> <https://www.cbo.gov/publication/59612>

<sup>3</sup> <https://www.cms.gov/newsroom/press-releases/statement-cms-innovation-center-aligning-portfolio-statutory-obligation>

During a 2024 Ways and Means Health Subcommittee hearing, “Improving Value-Based Care for Patients and Providers,”<sup>4</sup> witnesses highlighted the fact that CMMI has a unique ability—and explicit directive from Congress—to develop and test models that address and improve clinical outcomes for unique beneficiary communities. As members of this Committee have previously expressed, rural beneficiaries face real health disparities, and unmanaged conditions are a significant driver of health spending. Unfortunately, the conclusion of the *Pennsylvania Rural Health Model* in December of 2024 creates a void in CMMI’s rural model portfolio. Improving rural health is a multi-faceted issue and value-based models can provide flexibility and incentives to ensure access to vital health services. We strongly encourage CMMI to more aggressively pursue solutions to the care delivery issues plaguing rural communities.

Another goal of CMMI should be promoting transparency and timely communication to improve model development, implementation, and evaluation. For example, model design changes were announced to the *ACO Realizing Equity, Access, and Community Health Model*, with little input from participants. Similarly, early model terminations should be timely and transparent regarding financial and quality projections and attempt to transition participants into other models if appropriate.

Providers invest significant time and resources to participate in models and proper transparency and communication is necessary to ensure a fertile environment to test innovative solutions. Therefore, we strongly encourage transparency and consistent opportunities for public feedback during the design and development phase of new models as well as during any significant model changes. We ask CMMI to share this goal and commit to allow more sunshine in this process, and allow Congress, beneficiaries, the Physician-Focused Payment Model Technical Advisory Committee, and other relevant stakeholders to collaborate on model designs. Giving stakeholders more insight into potential policy changes and affording them with more opportunities to provide feedback into the policy development process is critical for the success of less well-resourced providers.

We request that you consider these priorities as you develop new models and make changes to existing models. We look forward to working with you to further our shared desire to create a robust and successful alternative payment model ecosystem that effectively improves care quality and reduces health spending for individuals and government health programs.

Sincerely,



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Jason Smith  
Chairman  
Committee on Ways and Means



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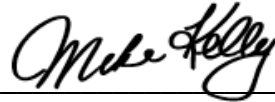
Vern Buchanan  
Chairman, Subcommittee on Health  
Committee on Ways and Means

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<sup>4</sup> <https://waysandmeans.house.gov/event/health-subcommittee-hearing-on-improving-value-based-care-for-patients-and-providers/>



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Member of Congress



Mike Kelly  
Member of Congress



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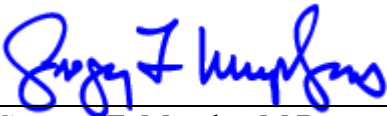
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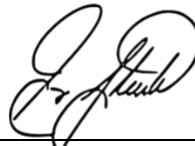
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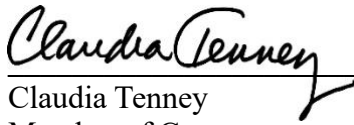
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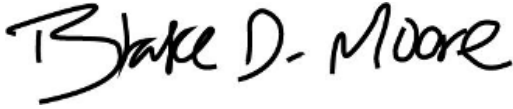
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