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Update on Medicare and Medicaid Payment Issues

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CMS Announces Comprehensive Primary Care Initiative

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On August 22, CMS announced its selection of 500 primary care practices for inclusion in the Comprehensive Primary Care (CPC) initiative. The CPC initiative involves multiple payment sources, including commercial health plans, and is designed to increase the financial resources available to primary care doctors in order to allow for better coordination of patients' care. The participants in the CPC initiative include primary care practices serving the following regions (links to lists of the participating practices in each region): [Arkansas](#), [Colorado](#), [New Jersey](#), [Oregon](#), [New York \(Capital District-Hudson Valley Region\)](#), [Ohio & Kentucky \(Cincinnati-Dayton Region\)](#) and [Oklahoma \(Greater Tulsa Region\)](#).

The CPC initiative establishes a service delivery model that includes a uniform set of functions to be supported by the participating payers: (1) manage care for patients with high health care needs; (2) ensure access to care; (3) deliver preventative care; (4) engage patients and caregivers; and (5) coordinate care across the "medical neighborhood" (i.e., among the various primary and non-primary care providers serving the patient). Physicians will initially receive a monthly per beneficiary payment for participating in the CPC initiative, and will eventually have the opportunity to share in the total Medicare savings for their markets.

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Physician practices participating in the initiative were selected through a competitive application process. Payers participating in the CPC initiative were chosen based on their willingness to provide reimbursement for enhanced primary care beyond the traditional visit-based fee-for-service model. States with fee-for-service Medicaid patients being serviced by the selected practices will also be able to participate in the CPC initiative, with the federal government reimbursing up to 100% of the additional costs of providing reimbursement for enhanced primary care services provided to Medicaid beneficiaries.

A fact sheet regarding the CPC initiative is available [here \[PDF\]](#), and an FAQ is available [here \[PDF\]](#).

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