

IN CASE YOU MISSED IT

House Budget's Health Care Task Force *Calls for Investigation into* Cost of Center for Medicare and Medicaid Innovation

The House Budget Committee Chairman Jodey Arrington (R-TX) and [Health Care Task Force Chair](#), Michael C. Burgess, M.D. sent a [letter](#) to Comptroller General Gene Dodaro of the U.S. Government Accountability Office (GAO) requesting an investigation on the cost of the Center for Medicare and Medicaid Innovation (CMMI) and their fiscal impact on the federal budget.

Established by Obamacare **with the intent of saving taxpayer money**, CMMI has failed to create budgetary savings and instead **has increased federal spending by billions of dollars**.

Recent articles published by *Politico* and *Inside Health Policy* highlight the need for GAO to evaluate the fulsome cost of CMMI and their ability to conduct budgetary oversight of mandatory health programs.



WORD ON THE STREET



Via [Politico](#): “Top House Republicans wants investigation into CMS’ innovation arm”

- *“Top House Republicans are urging a federal watchdog to investigate the government agency tasked with lowering Medicare costs after it increased*



spending by more than \$1 billion.”

- *They asked GAO to assess the agency’s dedicated funding and performance. They also want to know which payment models the agency has tested have saved money or increased spending.”*
- *“GOP lawmakers on the House Ways and Means Health Subcommittee **have pushed for more guardrails for CMMI** and **introduced legislation late last year** on the issue aiming to limit model scope in early testing phases.”*
- *“CMMI has acknowledged some shortcomings and in 2021 began to cut the number of models it uses to reduce overlap. The agency said at the time that only six out of 50-plus models it tried over a decade **had resulted in statistically significant savings.**”*
- *“Why it matters: The move could shed more light on CMMI’s practices and comes as lawmakers look to rein in health care spending.”*

Via Politico Pulse: “Innovation — but at what price?”

- *“Budget Committee Chair Jodey Arrington (R-Texas) and Rep. Michael Burgess (R-Texas), who chairs the panel’s health care task force, called on the Government Accountability Office today to scrutinize the Center for Medicare and Medicaid Innovation.”*
- *“CMMI has failed to deliver on its mandate,” Arrington and Burgess said in a statement, first reported by POLITICO.”*
- *“The bigger picture: The move comes as lawmakers look to rein in health care spending and could shed more light on CMMI’s practices. **The U.S. spends significantly more** on health care than other wealthy nations but still has worse health outcomes than other countries.”*



Via [Inside Health Policy](#): House Budget Committee Republicans Call For New CMMI Cost Evaluation

- *“The Republicans’ call for an updated cost report is based on CBO’s findings last year that CMS’ innovation center **increased spending by \$5.4 billion** in its first decade, **despite initial estimates that it would save \$2.8 billion during that timeframe.**”*
- *“The pair called for a set of updated specifics, including how CMMI has used its funding to develop models; how much of CMMI’s first \$10 billion mandatory appropriation the center used before receiving its second \$10 billion in funding in fiscal 2020; the status of CMMI’s models, with details on models that have saved money or increased spending; and information on how CMMI determines what types of providers to include in models.”*

THE BOTTOM LINE

Established by Obamacare with the goal of saving taxpayer money and improving the quality of care for beneficiaries, **CMMI has failed to deliver on its mandate.**

In 2010, the Congressional Budget Office (CBO) **projected** that CMMI would produce net savings over the 10-year budget window. CBO **revised** its analysis last year, **finding that CMMI is not saving tax dollars but rather has increased federal spending by billions of dollars.**

In the **letter** penned by the House Budget Committee’s Health Care Task Force, the committee requests that GAO issue a report updating previous **work** it has done on CMMI focusing on its use of dedicated mandatory funding and an assessment of its performance.

The letter directs GAO to examine the following:

- *How* CMMI has **used dedicated funding to develop models** and carry out other agency functions;



- ***How much*** of CMMI’s first **\$10 billion mandatory appropriation did CMMI utilize prior to receiving its second \$10 billion** in funding in Fiscal Year 2020;
- ***The status of*** CMMI’s testing of models, including **models that have saved money or increased spending per the Administration**; and
- ***How*** CMMI **determines what types of providers to include in models** — focusing on **the discrepancy between the number of models focused on primary care physicians** compared to specialists.

MORE FROM THE HOUSE BUDGET COMMITTEE AND HEALTH CARE TASK FORCE

- ***Read*** the full release about the investigation into the Obamacare Program Driving Deficits [HERE](#).
- ***Read*** the House Budget Committee release on the HCTF member roundtable examining the budgetary effects of CMMI [HERE](#).
- ***Read*** the House Budget Committee release on “The Cost Of...The Center for Medicare and Medicaid Innovation” [HERE](#).

