

REIMBURSEMENT ALERT

CMS ANNOUNCES NEW BUNDLED PAYMENT INITIATIVES



CMS announced this week new bundled pricing initiatives for providers that may provide opportunity for:

Widespread cost reduction—Any or all service lines in your hospital or your health system

Greater alignment with physicians—Drive excellence in quality, increased efficiencies and program growth

A competitive advantage in your market—Gain-sharing model allows physicians to earn up to **150%** of Medicare fee schedule if quality and cost targets are achieved

There are four bundled payment models that CMS will be implementing. Providers may choose one or more through an application and **competitive** bidding process:

Description	Gain-sharing	Letter of Intent Due	Application Due
Model 1 —Retrospective bundled payment for all acute inpatient hospital stays	YES	September 22, 2011	October 21, 2011
Model 2 —Retrospective payment model for the acute inpatient hospital stays AND post-acute care	YES	November 4, 2011	March 15, 2012
Model 3 —Retrospective payment model for post-acute care only	YES	November 4, 2011	March 15, 2012
Model 4 —Prospective payment for select acute care hospital stay only—Providers select which MS-DRGs to include	YES	November 4, 2011	March 15, 2012

Through competitive bids, CMS has indicated preference will be given to programs offering:

- Discount to Medicare
- Widest range of services to be bundled
- Patient care redesign plans
- Beneficiary satisfaction, quality and outcomes
- Medical staff interest and involvement
- Construct of gain-sharing models

Only TRG worked with all five of the current “ACE” demonstration sites, and collectively our team has over 60 years of experience dealing with CMS bundling demonstrations and has an unmatched track record for application acceptance. We will ensure that you are fully prepared to submit an application resulting in designation.



CONTACT TRG TODAY TO DISCUSS WHERE THE GREATEST OPPORTUNITIES ARE FOR YOUR PROGRAM.

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