

Centers for Medicare and Medicaid Innovation (CMMI) and the Patient-Centered Outcomes Research Institute (PCORI) Announce Availability of Significant Federal Research Funding

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On Wednesday, May 15, the Centers for Medicare and Medicaid Innovation ([CMMI](#)) and the Patient-Centered Outcomes Research Institute ([PCORI](#)) simultaneously announced the availability of over \$1 billion in funding opportunities. Taken together these funding announcements represent a significant expenditure of research dollars, which is particularly notable at a time when the availability of other federal research funding is curtailed due to limited federal appropriations and the impact of the sequester imposed on most federal agencies.

CMMI Health Care Innovation Awards

Section 3021 of the **Affordable Care Act (ACA)** created CMMI to test innovative payment and delivery system models to reduce Medicare, Medicaid, and Children's Health Insurance Program (CHIP) spending while at the same time improving the quality of care for beneficiaries of those programs. Pursuant to its mandate, in November 2011, CMMI announced \$900 million in funding opportunities for its first round of Health Care Innovation Awards (Round One). During the Round One process CMMI received approximately 3,000 applications and ultimately awarded grants to 107 entities, ranging in amounts from approximately \$1 million to \$26.5 million over a three-year period.

As part of the current round of Health Care Innovation Awards (Round Two ^[1]), CMMI is making available up to \$1 billion in funding opportunities, specifically limited to proposals that fall within one of the following four areas:

- Models intended to reduce Medicare, Medicaid, and/or CHIP costs in outpatient and/or post-acute settings. CMMI intends to give priority to models involved in the following areas: diagnostic services, outpatient radiology, physician-administered drugs of high cost, home-based services, therapeutic services, and post-acute care services. Models focusing primarily on acute hospital inpatient care will not be considered.

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- Models that improve care for populations with special needs. CMMI has identified the following priority areas: high-cost pediatric populations, children in foster care, children at risk for dental disease, adolescents in crisis, individuals with Alzheimer's, individuals living with HIV/AIDS, individuals needing long-term support and services, and individuals with serious behavioral needs.
 - Models testing approaches for specific types of providers to change their financial and clinical models. CMMI indicated it would give priority to models designed for physician specialties (like oncology and cardiology) and those providing pediatric care to children with complex medical needs. CMMI encourages applicants to include in their model the use of shared-decision making tools.
 - Models designed to improve the health of a given population. Given populations can be defined geographically, clinically, or by a given socio-economic class. Applications may include community-based organizations.

Entities that submitted an application during Round One are permitted to submit an application during Round Two. CMMI will not select applications that duplicate existing Centers for Medicare & Medicaid Services (CMS) or Health and Human Services (HHS) projects or initiatives.

Interested applicants must submit a non-binding Letter of Intent by June 28, 2013, and a completed application by August 15, 2013. CMMI intends to announce the recipients of the awards in two phases: Phase 1 will be announced on or about January 15, 2014, and Phase 2 will be announced on or about January 31, 2014.

PCORI Funding Opportunities

Section 6301 of the ACA created PCORI, a public-private entity created to conduct and disseminate comparative effectiveness research (CER). On May 15, 2013, PCORI [announced](#) that it will make available up to \$81 million in funding for CER, as part of its intent to provide at least \$355 million for CER in 2013.

Unlike the CMMI funding, which is specifically limited to four model areas, the PCORI funding opportunities are broader in scope, though applications must relate to PCORI's National Priorities and Research [Agenda](#). In addition, as part of its mission, successful applications must include information on how the proposed research can be disseminated to individuals.

Letters of Intent are due by June 15, 2013, and applications are due by August 15, 2013. PCORI intends to announce awards in mid-December 2013.

[1] [Additional information on Round Two funding opportunities can be found on the CMMI web site.](#)

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