

CMMI Unveils New Strategic Direction: Preventive Care, Patient Empowerment, and Competition

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The Center for Medicare and Medicaid Innovation (CMMI) recently announced a new strategic direction during a public [webinar](#) and accompanying [white paper](#), outlining its evolving priorities under the current administration. During the May 13, 2025 webinar, Abe Sutton, Director of CMMI and Deputy Administrator for the Centers for Medicare & Medicaid Services (CMS), emphasized CMMI's continued mission to improve the U.S. health care system and to build on its 15 years of testing alternative payment models. As described in more detail below, however, CMMI's new strategic direction reflects a shift in focus from CMMI's approach under the Biden administration even while certain longstanding goals remain the same.

CMMI Under the Trump Administration: Prevention, Patient Empowerment, and Competition

CMMI's new strategy emphasizes evidence-based prevention, personal agency, and market competition as central pillars to improving health outcomes and reducing costs. This three-pillar approach is structured around the following strategies:

1. **Promote Evidence-Based Prevention.** While CMMI has arguably been focused on preventive care for some time (e.g., the PC Flex Model, which focused on incentivizing primary care and preventive services), in his comments Sutton highlighted a renewed emphasis on prevention to avoid disease occurrence, promote early disease detection, and manage chronic diseases. Specifically, CMMI will include preventive care measures in all of its models, which may include working with community-based organizations to assist with nutrition and lifestyle counseling or offering access to evidence-based alternative medicine. Other examples offered by CMMI include (i) waivers for accountable care entities to assume global risk to provide durable medical equipment (DME) if the DME supports patients' ability to transition or remain in their homes, (ii) reduced cost-sharing for preventive services, and (iii) payments to caregivers to support individuals with cognitive decline.
2. **Empower People to Achieve Their Health Goals.** Under CMMI's new strategy, CMMI will aim to give individuals more control over their health care decisions by increasing access to usable data aimed at supporting individuals' understanding of their health status. For example, CMMI may use models to test how mobile device applications, shared decision-making tools, and health education materials empower people to manage their chronic

conditions and improve their health. CMMI may also explore opportunities to support individuals' decision-making by publishing data about providers and services, including costs and quality performance. Lastly, CMMI indicates that it is considering waivers to support predictable cost-sharing for certain health care items, specifically prescription drugs or medical devices.

3. **Drive Choice and Competition.** The third strategic pillar focuses on supporting a competitive health care marketplace where providers are incentivized to deliver high-quality, cost-effective care. CMMI discusses designing models intended to incentivize participation by independent physician practices and providers that are not part of a larger health system or owned by a health plan. It is worth noting that CMMI has endeavored to incentivize these types of entities' participation in value-based care for several years as demonstrated by its ACO REACH and PC Flex Models, both of which included incentives for smaller organizations that had not previously participated in a CMMI model. The new CMMI strategy also addresses potential changes to Medicare Advantage models, which, for example, could include requirements for site-neutral payments across care settings to incentivize the use of outpatient and community-based care.

CMMI's white paper also states that these strategic pillars are underpinned by a foundational commitment to protecting federal taxpayer dollars. Under its new approach, CMMI states that it will focus on models that are fiscally responsible and scalable, aligning with its statutory mandate to reduce program expenditures while preserving or enhancing quality of care.

CMMI Under the Biden Administration: Emphasizing Health Equity and Aligning with Stakeholders to Achieve System Transformation

While there are similarities between CMMI's new strategic approach and CMMI's previous strategic approach, introduced in 2021, they differ in focus and implementation. The previous strategic approach emphasized health equity, multi-payer alignment, and person-centered care as opposed to an emphasis on market-based competition and patient choice. The prior strategic direction was around five key objectives:

1. **Drive Accountable Care.** CMMI aimed to expand the number of beneficiaries in care relationships accountable for quality and total cost, aiming for universal Medicare fee-for-service participation by 2030. The new strategic direction appears to reiterate that goal by stating that new model designs could require a growing proportion of beneficiaries in global downside risk arrangements.
2. **Advance Health Equity.** Previously, CMMI endeavored to integrate equity into every model by collecting demographic data, addressing social determinants of health, and ensuring underserved populations were represented. This objective is notably absent from the new strategic direction, which instead focuses on patient empowerment.
3. **Support Care Innovations.** One of CMMI's previous objectives was to use data, technology, and payment flexibilities to enable integrated, person-centered care, including behavioral health and home-based services. While the new CMMI strategy also focuses on using data and technology to improve health care, the focus is on empowering patients with more data to help them take control of their health care.
4. **Improve Access by Addressing Affordability.** Under its prior strategic direction, CMMI emphasized reducing health care prices, particularly with respect to drug prices, and using models that waive cost-sharing. CMMI's new strategic direction echoes these goals. One distinction, however, is that the prior strategy included a goal of setting targets to reduce the percentage of Medicare beneficiaries who forgo care due to cost – a goal that is not

specifically mentioned in the new strategic direction.

5. **Partner to Achieve System Transformation.** Previously, CMMI had a goal to align priorities across CMS and engage stakeholders, including payers, purchasers, states, patient advocates, and patients, to improve quality, outcomes, and reduce costs, targeting multi-payer alignment in all new models by 2030. In contrast, the new CMMI direction calls for increasing financial risk for providers and discontinuing models that fail to meet cost-saving criteria.

Looking Ahead

These contrasting strategies illustrate the impact of administrative philosophies on health care policy and the direction of innovation within Medicare and Medicaid services. As CMMI continues to develop and then implements its updated strategy, stakeholders can expect a sustained emphasis on value-based care, with evolving priorities that reflect the current administration's policy framework. The coming years will likely bring new models and initiatives aimed at improving outcomes, enhancing patient engagement, and ensuring fiscal responsibility in Medicare and Medicaid services.

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