

## Health and Human Services (HHS) Aggressive Goals for Value Based Payments

Article By:

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In a brief article published last week in the *New England Journal of Medicine*, **Sylvia Burwell, the U.S. Secretary of Health and Human Services (HHS)**, summarily set forth HHS's efforts for improving the U.S. health care system. According to Ms. Burwell, these efforts will be focused on three methods: (1) using incentives to motivate higher-value care by increasingly tying payment to value through alternative payment models; (2) changing the way care is delivered through greater teamwork and integration, more effective coordination of providers across settings, and greater attention by providers to population health; and (3) harnessing the power of information to improve care for patients.

It should come as no surprise that HHS intends to ramp up its efforts to tie payment for health care services to quality and cost. Perhaps surprising to some, however, is the aggressiveness of this goal. According to Ms. Burwell, HHS's timeframe is to tie 85% of all Medicare fee for service payments to quality or value by 2016 and 90% by 2018. As part of this, by the end of 2016, 30% would be paid through alternative payment models (such as ACOs and bundled payment arrangements tied to quality and cost) and by the end of 2018, 50%.

Oncology care is the only specific type of health care mentioned in the article, which HHS has targeted as the starting point for developing and testing its new payment models.

A copy of the article may be found here: <http://www.nejm.org/doi/full/10.1056/NEJMp1500445>

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