

CMS

# CMS Officials Reflect on the Home Health Value-Based Purchasing Model's Success

By Joyce Famakinwa | August 15, 2021

Officials from the U.S. Centers for Medicare & Medicaid Services (CMS) are again touting the Home Health Value-Based Purchasing (HHVBP) Model as one of the agency's most successful programs ever.

[In a Health Affairs article published Thursday](#), top CMS officials at CMS — including Administrator Chiquita Brooks-LaSure — looked back at a decade of alternative payment models launched through the Center for Medicare and Medicaid Innovation (CMMI). In addition to Brooks-LaSure, authors of the piece included CMMI Director Elizabeth Fowler as well as Meena Seshamani and Daniel Tsai, who oversee Medicare and Medicaid, respectively.

CMMI was created through the Affordable Care Act in 2010. Its goal: to move toward a more value-based system in order to curb costs and improve the quality of care.

Since its 2010 launch, CMMI has rolled out more than 50 alternative payment models that compensate health care providers for delivering high-quality care while lowering costs. Of these, CMS officials have singled out HHVBP as one of the six that have accomplished CMMI's mission.

Specifically, the model has resulted in an average annual savings of \$141 million to Medicare since its 2016 implementation, according to CMS. It is also one of four models that met the requirements to be expanded in duration and scope.

Broadly, HHVBP is a Medicare demonstration that aims to tie reimbursement to quality of care. Under the model, home health providers are paid based on how well they keep their patients healthy and out of the hospital.

Currently, Medicare-certified home health agencies in Massachusetts, Maryland, North Carolina, Florida, Washington, Arizona, Iowa, Nebraska and Tennessee participate in the HHVBP demo. CMS is proposing to expand HHVBP nationwide next year.

The Visiting Nurse Service of New York (VNSNY) is among the home health providers supportive of the move.

“Well, frankly, we do support the home health VBP, even though New York was not part of the demo,” VNSNY CEO Dan Savitt said during a recent [HHCN+ TALKS](#) appearance. “We’ve embraced VBP as a company. I’ve been saying for years to the payer community, ‘Let us take the risk, and we’ll show you what we can deliver in terms of value to the patient and the payer.’”

New York-based VNSNY is one of the largest not-for-profit home- and community-based health care organizations in the U.S. Its offerings include home health, hospice and palliative care services, in addition to mental health support and more. The organization cares for more than 44,000 patients per day.

While HHVBP has received industry support, VNSNY and other providers are pushing CMS to build in more upside opportunities as part of the expansion.

“We know that the VBP program and the demo saved \$141 million in one year in just those nine states,” Savitt said. “If you think about that, that should be in the pie to share. In a true value-based agreement — and in our value-based arrangements — we’re sharing.”