

June 12, 2017



The Honorable Tom Price
Secretary, Department of Health and Human Services
200 Independence Avenue, SW
Washington, D.C. 20201

C O U N C I L F O R



Dear Secretary Price:

On behalf of the undersigned organizations, we write to reiterate our long-standing support for full repeal of Obamacare including repeal of the Centers for Medicare and Medicaid Innovation (CMMI).



In the meantime, we urge you to institute several common-sense guardrails around CMMI to prevent it from doing unnecessary harm to patients and providers.

As you know, CMMI was created when Obamacare was signed into law seven years ago. The agency was tasked with conducting demonstrations over new health care delivery and payment models in Medicare, Medicaid, and the Children's Health Insurance Program with the intent of reducing healthcare costs.



Although CMMI's demonstrations were supposed to increase the efficiency of healthcare programs, the Obama administration pushed these tests with little evidence they would result in savings, while strong-arming healthcare providers and patients into participating.



The agency is also not under the normal appropriations process – Obamacare gave CMMI \$10 billion every decade in perpetuity. As a result, Congress is limited in its ability to conduct routine, necessary oversight.



Concurrently, the Congressional Budget Office has adjusted the budget baseline under the assumption that proposed CMMI demonstrations have already entered into effect and are successful. This only further binds the hands of lawmakers as any attempt to block a demonstration from being implemented is scored as increasing the deficit, even though these demonstrations are in their infancy.



Given these facts, it is clear that the agency needs to be restrained. As such, we suggest four guardrails be implemented.

First, CMMI demonstrations should be true tests and not forced changes to policy.

One way to do this would be to limit the number of affected beneficiaries to a small amount, such as 10 percent of the total beneficiary population, while also limiting the time period that any demonstration occurs.

Second, Congress should be included in the CMMI decision-making process. Rather than top down control, CMMI should consult with Congressional leadership and Committee chairs from both parties to prevent surprises and unintended consequences and gather input from key policymakers.

Third, participation in CMMI projects should be voluntary, not mandatory. A mandatory demonstration project on a broad population for an indeterminate period of time is a policy change, not a controlled test. In essence, this gives unelected bureaucrats the ability to make broad policy changes with few, if any consequences or limitations.

Fourth, greater input should be required from stakeholders in CMMI projects. Health providers and patients should be consulted ahead of time to give the agency better insight on how a CMMI demonstration will impact Americans. Doing so would ensure that demonstrations are truly conducted based on sound evidence and with the goal of increasing efficiency.

As Chairman of the House Budget Committee, you conducted important oversight over CMMI. As Secretary of HHS, we encourage you to continue this work and ensure that CMMI is held accountable.

Sincerely,

Grover Norquist
President, Americans for Tax Reform

Tom Schatz
President, Council for Citizens Against Government Waste

Adam Brandon
President, FreedomWorks

Carrie L. Lukas
Managing Director, Independent Women's Forum

Heather R. Higgins
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