

# CMS support of Health Care Delivery System Reform (DSR) will result in better care, smarter spending, and healthier people

## Historical state

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### Key characteristics

- Producer-centered
- Incentives for volume
- Unsustainable
- Fragmented Care

### Systems and Policies

- Fee-For-Service Payment Systems

Public  
and  
private  
sectors

## Evolving future state

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### Key characteristics

- Patient-centered
- Incentives for outcomes
- Sustainable
- Coordinated care

### Systems and Policies

- Value-based purchasing
- Accountable Care Organizations
- Episode-based payments
- Medical Homes
- Quality/cost transparency

## Accelerating the Shift to Value-based Care

### **HISTORICAL FFS HEALTHCARE SYSTEM** (volume focused)

Fee-for-service – paid for doing more, not for performing or managing care better

Member and provider incentives not aligned to promote better health outcomes

Lack of care coordination

Lack of integration across the care continuum

Duplicative testing and inadequate follow-up care

### **VALUE-BASED HEALTHCARE SYSTEM** (value focused)

Pay for **VALUE**, not Volume

Rewards for quality, **HEALTH OUTCOMES**, patient satisfaction and efficiency

**CARE COORDINATED** between primary care, specialists, hospitals, other providers

**INTEGRATION** of patient care across the care continuum

**TRANSPARENCY**, technology, information, efficiency, reduces duplication