

CMS' Strategic Action Plan 2006 – 2009

“Achieving a Transformed and Modernized Health Care System for the 21st Century”

EXECUTIVE SUMMARY

Background

With a budget of approximately \$650 billion and serving approximately 90 million beneficiaries, the Centers for Medicare & Medicaid Services (CMS) plays a key role in the overall direction of the health care system. CMS has an unparalleled opportunity to improve care and to make it more affordable for everyone.

CMS' Mission: To ensure effective, up-to-date health care coverage and to promote quality care for beneficiaries.

CMS' Vision: To achieve a transformed and modernized health care system.

CMS will accomplish our mission by continuing to transform and modernize America's health care system.

CMS aims to expand its resources in a way that both improves health care quality and lowers costs. We will do this by being stewards accountable for resources and effectiveness. This Strategic Action Plan outlines how CMS will work toward achieving this mission.

This strategic direction can be described through five key objectives:

1. Skilled, Committed, and Highly-Motivated Workforce
2. Accurate and Predictable Payments
3. High-Value Health Care
4. Confident, Informed Consumers
5. Collaborative Partnerships

CMS' Strategic Action Plan Objectives

1. Skilled, Committed, and Highly-Motivated Workforce

- CMS will have the right people with the right expertise in the right positions to help deliver the Strategic Action Plan to accomplish the agency's mission.
- CMS senior management will assure its workforce is resilient, competent, diverse, flexible, and motivated to accomplish the mission.
- CMS will complete and implement the Human Capital Management plan and the CMS Succession process and plan.
- To make sure that the daily work of CMS reflects the goals in this plan, CMS will establish Enterprise Portfolio Management. This system will inventory all CMS projects and assign resources. Doing this helps senior leadership prioritize employee workload.



2. Accurate and Predictable Payments

- CMS will effectively oversee its providers and aggressively deliver provider education and outreach. Doing so will help us achieve strong financial performance for our programs and operations. Oversight will include expanded, modernized program integrity for Medicare and Medicaid and ways to prevent overpayments and improper payments.
- These modernization objectives will better facilitate CMS preparedness in emergencies and pandemic planning.
- By developing strategies for transparency and value incentives for consumers and providers, CMS may improve the long-range sustainability of CMS programs and reduce costs and improve long-range solvency for Medicare.
- Additional modernization initiatives include implementing a Health Care Integrated General Ledger Accounting System and a National Provider Identifier; transitioning the legacy system of Intermediaries and Carriers to the Medicare Administrative Contractor system; increasing electronic claims processing using upgraded Information Technology systems; and reforming the Prospective Payment Systems.
- CMS will refine the process of validating payments made to Medicare Advantage organizations, Prescriptions Drug Plans and other organizations paid through the Medicare Advantage Prescription Drug System (MARx).

3. High-Value Health Care

- CMS must support the transformation of the health care system to one in which patients and doctors can make informed decisions together about the most effective medical care, based on timely access to the latest evidence, and in a way that delivers the highest value care.
- This transformed system will include SMART health care (**S**cience-driven opportunity for **M**anagement of personal health through **A**ffordable, **R**eliable, and **T**argeted care); secure electronic records; e-prescribing; transparency based on immediate, accurate and comparative quality and cost information; new Medicare Advantage plan designs and innovative prescription plan approaches, disease management programs, disease prevention; and value-based payment. As part of this transformed system, CMS will stay committed to protecting the security and privacy of our beneficiaries' health care data.
- To achieve this transformation, we will expand quality and cost measurement in Medicare fee-for-service systems; emphasize prevention and better support for quality care; implement pay-for-performance to promote better quality and more efficient care; enhance long-term solvency; encourage Medicaid reform; help redesign the New Orleans Health System; establish an integrated data repository; and modernize IT capabilities.
- Developing new Medicare Advantage plan types, such as dual eligible and chronic care special needs plans, to improve overall cost and quality outcomes for high risk populations and increase integration and coordination with state Medicaid Programs for dually eligible Medicare beneficiaries.
- Supporting drug plan sponsors in their efforts to improve care coordination and to develop innovative approaches to improving the quality of care for our beneficiaries.



4. Confident, Informed Consumers

- To create a successful personalized health care system, we will make sure that everyone with Medicare makes the most of their Medicare benefits.
- We will use our personalized tools and our well-developed grassroots network of partners to develop direct relationships with beneficiaries.
- Consumers will participate in SMART health care and have immediate access to affordable Medicare prescription drugs, transparency based on comparative quality and cost information, flexible Medicaid benefits and incentives, and access to care in homes and communities for the disabled population.
- CMS will get beneficiaries the best quality care for the best price by developing ways to let them know their medical options before they need treatment, the quality and expertise of doctors and hospitals in their area, and how much their medical care will cost them.

5. Collaborative Partnerships

- Personalized, modern health care is a complex network of various providers surrounding the person who needs care. To make this work, we need collaborative partnerships that all work toward getting the beneficiary quality care information.
- The success of CMS depends on collaborative relationships with a variety of organizations, individuals and institutions.
- CMS will restructure and expand its external affairs and communications activities to allow us to have well-established interactions with outside groups.
- CMS Regional Offices will continue as primary resources in planning and implementing agency outreach initiatives, and in conducting environmental scanning to identify impacts on our customers.
- We will also continue to develop health and grassroots networks for Medicare and Medicaid, and establish ties with quality alliances and local communities to support getting better health care. In addition, we will seek ways to work with other large health insurers in the U.S. system, both government and private-sector, to share ideas to improve the quality and delivery of health care and health care information.
- With effective collaboration, CMS will create and sustain a better environment for high-quality, personalized care for every person, every time.
- CMS will continue to pursue relationships with provider groups at the national and local level and use these relationships to reach the individual provider with important program and initiative information.
- Improve beneficiary choices and awareness of Medicare managed care products and prescription drug coverage by working with our private sector health plan and prescription drug plan partners, various industry and trade groups and beneficiary organizations.