



mInconnects

Official CMS news from the Medicare Learning Network®

## SPECIAL EDITION

Friday, September 11, 2020

### Community Health Access and Rural Transformation Model

The CMS Innovation Center announced the Community Health Access and Rural Transformation (CHART) Model.

The approximately 57 million Americans living in rural communities, including millions of Medicare and Medicaid beneficiaries, face unique challenges when seeking health care services, such as limited transportation options, shortages of health care services, and an inability to fully benefit from technological and care-delivery innovations.

Current regulations and volume-based payment structures perpetuate these challenges, with unsustainable financial models leading to over 130 rural hospitals closing since 2010. The constellation of reduced access to care and patients not seeking or delaying care leads to rural Americans facing worse health outcomes and having higher rates of preventable diseases than those living in urban areas.

CMS remains focused on the transformation of rural health care delivery and enabling local community collaboration to redesign their systems of care and align across providers and payers based on their unique needs. As part of that rural transformation, including transforming a system built on fee-for-service and volume to one based on value, CMS is testing the CHART Model.

Through the Model, CMS is directly providing a pool of \$75M in upfront, seed funding, with 15 rural communities applying for up to \$5M to develop local transformation plans. With this upfront seed funding, CMS is also providing regulatory and operational flexibility for updated service delivery models as well as changing how participating hospitals in these communities are paid, from a system based on volume to stable, monthly payments. In addition to supporting these 15 rural communities, CMS is also looking for 20 rural Accountable Care Organizations (ACOs) to participate in the model, paying shared savings upfront so that ACOs have infrastructure funding to be successful on the move towards achieving better outcomes. Taken together, these are substantial and tangible actions to support health care in our rural communities.

Specifically, the CHART Model will:

- Increase financial stability for rural health care providers through multiple new funding approaches, including the use of up-front investments and predictable, capitated payments that pay for quality and patient outcomes over volume
- Provide the necessary operational and regulatory flexibilities to allow health care providers and CMS to test the Model in their local communities and successfully transform themselves
- Support local rural communities' transformation efforts by being directly engaged at CMS, offering real-time technical expertise and other learning when needed to foster success

If successful, beneficiaries' access to health care services should be improved, rural provider's financial sustainability should increase for years to come, and communities can align with payers and other stakeholders to address both their health care service delivery ecosystem and the necessary social support structures, such as food and housing, to deliver improved health. Ultimately, the CHART Model aims to

improve quality and health, while reducing Medicare and Medicaid expenditures, in rural communities over the long-term.

CMS is providing funding, regulatory and operational flexibilities, and technical assistance for rural communities to transform their systems of care through a Community Transformation Track. Further, CMS is enabling providers to participate in value-based payment models where they are paid for quality and outcomes, instead of volume, through an ACO Transformation Track.

CMS anticipates the Notice of Funding Opportunity for the Community Transformation Track will be available in September on the Model website. The Request for Application for the ACO Transformation Track will be available in early 2021 on the [CHART Model](#) website.

See the full text of this excerpted [CMS Fact Sheet](#) (issued August 11).

---

**[Like the newsletter? Have suggestions? Please let us know!](#)**

[Subscribe](#) to MLN Connects. Previous issues are available in the [archive](#).  
This newsletter is current as of the issue date. View the complete [disclaimer](#).

**Follow the MLN on [Twitter](#) #CMSMLN, and visit us on [YouTube](#).**

The Medicare Learning Network®, MLN Connects®, and MLN Matters® are registered trademarks of the U.S. Department of Health and Human Services (HHS).

