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# United States Senate

COMMITTEE ON FINANCE

WASHINGTON, DC 20510-6200

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November 10, 2011

The Honorable Gene L. Dodaro  
Comptroller General of the United States  
U.S. Government Accountability Office  
441 G Street, NW, Room 7100  
Washington, DC 20548

Dear Mr. Dodaro:

As part of our ongoing efforts to conduct oversight of the Centers for Medicare & Medicaid Services (CMS) and the federal health care programs administered by CMS. We are requesting that Government Accountability Office (GAO) conduct a special study regarding implementation of several new Centers and Offices created with CMS since March 2010.

As you may know, Section 2602 of Patient Protection and Affordable Care Act (PPACA) established the Federal Coordinated Health Care Office, also known as the Medicare-Medicaid Coordination Office; and Section 3021 of PPACA established the Center for Medicare and Medicaid Innovation (CMMI). In addition, CMS established a Center for Strategic Planning (CSP) in March 2010. Given the political demands to create these organizational entities, we are concerned about potential for duplication of effort and internal redundancies within CMS.

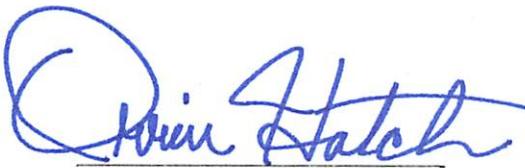
Therefore, we are asking GAO to undertake a timely review that includes, but is not limited to answering the following questions:

- Provide a detailed breakdown of the core workloads, initiatives, and the associated funding for these activities in FY 2011 and FY 2012 for the Federal Coordinated Health Care Office, CMMI, and CSP. Include any studies, analysis or supporting documentation that supports the need for those initiatives and the anticipated value they will add to the Medicare program.
- Explain how CMS will evaluate the effectiveness of the new organizational structures for the Federal Coordinated Health Care Office, CMMI, and CSP in FY 2011 and FY 2012 and provide any performance matrixes used to measure the organizational effectiveness of these entities.
- Explain how CMS will evaluate the effectiveness of any programs or initiatives created under the authorities of the Federal Coordinated Health Care Office, CMMI, and CSP in FY 2011 and FY 2012, including any estimates of budgetary savings for the Medicare, Medicaid, and Children's Health Insurance Program (CHIP) prepared by the Office of the CMS Actuary or the Office of

Management and Budget (OMB). Explain the specific role the CMS Actuary will have in estimating budgetary savings as a result of these programs and initiatives.

- Provide the number of employees assigned to for the Federal Coordinated Health Care Office, CMMI and CSP; determine whether these employees are internal reassignments from another CMS component or and external hires, and the number of new Senior Executive Service, GS-15 and GS-14 (or their equivalents) working within the these new organizational entities.
- Examine whether CMS could have successfully implemented the new authorities of PPACA, with the exception of information exchange requirements, within its pre-PPACA organizational structure and without establishing the Federal Coordinated Health Care Office or CMMI.
- Determine whether the Federal Coordinated Health Care Office, CMMI, and CSP complement other organizational entities within CMS, such as the Center for Medicare, Center for Program Integrity, the Office of Clinical Standards and Quality, and the Center for Medicaid, CHIP, and Survey and Certification, or whether these new entities duplicate ongoing activities or initiatives performed within other CMS Centers or Offices.
- Examine plans, documents, memos, and meeting notes from CMMI and CMS to determine if CMS or CMMI has issued internal guidance with regard to the intended duration, scope, substance, and scalability of demonstrations, pilots, and programs run by CMMI.
- Determine how the Secretary will evaluate the impact of CMS or CMMI initiatives with regard to reductions in Medicare spending, improvements in quality, and improvements in beneficiary access to care. Specifically, determine if CMS or CMMI has issued internal guidance with respect to what metrics and measures the Secretary will use in any evaluations.
- Recommend structural, administrative, or programmatic changes that will reduce any duplication or redundancies within CMS that have resulted from the establishment of the Federal Coordinated Health Care Office or CMMI.

Thank you for your prompt attention to this request.



Orrin Hatch  
United States Senator



Michael Enzi  
United States Senator



Tom Coburn, M.D.  
United States Senator