



Dear Colleagues,

As 2019 winds to a close, activity on the **Health Care Payment Learning & Action Network (LAN)** is certainly not slowing down. At the end of October, the LAN held the **7th LAN Summit**, where more than 600 leaders gathered to advance a shared mission of lowering health care costs, improving patient experiences and outcomes, reducing barriers to APM participation, and promoting shared accountability. At the LAN Summit, we **announced a new set of ambitious goals to dramatically accelerate the pace of payment reform**:

LAN GOAL STATEMENT
Accelerate the percentage of US health care payments tied to quality and value in each market segment through the adoption of two-sided risk alternative payment models.

	Medicaid	Commercial	Medicare Advantage	Traditional Medicare
2020	15%	15%	30%	30%
2022	25%	25%	50%	50%
2025	50%	50%	100%	100%

Although the results of the latest **LAN Measurement Effort** suggest we have a way to go to meet these goals, they are an important signal to the field that we need to move much more aggressively toward value-based payment models that can meaningfully change outcomes. As **Department of Health & Human Services Secretary Alex Azar II** emphasized in his remarks at the LAN Summit, health care stakeholders across the public and private sectors share the vision of a health care system that revolves around patients, and pays for better health, as opposed to more services. More than ever before, we are coming together to build such a system, and there has never been a greater movement to accelerate the pace of reform. Secretary Azar also noted that CMS fully supports the new LAN goals, and that many of the new CMMI models should provide additional opportunities for providers to participate in two-sided risk models.

The LAN will continue to position itself at the center of payment reform activities and drive progress by aligning stakeholders, hosting forums, building toward action, and measuring progress towards the goals. Along with the announcement of new goals, the LAN has restructured itself to advance an action-oriented agenda by convening two **Executive Forums**. The Chief Executive Officer (CEO) Forum supports the LAN in identifying strategic opportunities to accelerate payment reform. As a complement, the Care Transformation Forum (CTF) supports the LAN in developing practical, tactical reform initiatives in strategically important areas.

Already, at its first meeting in August, the CEO Forum identified six focus areas for LAN activities, and just this month the CTF met to discuss input from the CEOs, and to start designing initiatives to overcome barriers to implementation of two-sided risk models. Based on guidance received from both Executive Forums, the LAN will initially focus on a low-value care initiative, recognizing that reducing low-value care is essential for achieving patient-centered care, but that it is also a key to financial success in new payment models. Be on the look-out for further announcements about this initiative in early 2020.

As we look forward to the beginning of a new decade, and what's on the horizon for payment reform, there's never been a greater opportunity to build a health care system that costs less and delivers more for all Americans. By harnessing and channeling the enthusiasm and activity in the field, the LAN is well positioned to drive further action and implementation of two-sided risk APMs. We look forward to working with all of you!

Happy holidays and best wishes in the New Year.

- The LAN CEO Forum Co-Chairs, Mark McClellan and Marc Harrison