Value-Based Care & the Ambulatory Specialty Model

AAPM PainConnect Member Briefing — Webinar, August 3, 2026

Effective: Jan 1, 2027
CMS 42 CFR §512
painconnect.org

Supplemental Resources Handout — The Big Shift: Value-Based Care & What It Means for Pain Management

About this handout: The following summarizes the key Q&A content from the AAPM PainConnect Webinar (August 3, 2026) on the Ambulatory Specialty Model (ASM). Starting **January 1, 2027**, CMS will implement ASM — the first mandatory two-sided risk value-based payment model for pain specialists. This handout provides a concise reference for each question addressed during the session.

THE ASM MODEL — CORE QUESTIONS

Q1 What is ASM?

CMS's first mandatory **two-sided risk value-based payment model** for specialists treating chronic low back pain and congestive heart failure (outpatient), starting January 1, 2027. Payment is tied to clinical outcomes, total cost of care, care coordination, and interoperability.

Q2 What is a value-based model?

Coined by Porter & Olmsted (2006), value-based care pays for **outcomes and cost-efficiency** rather than volume. ASM is the culmination of decades of CMS payment reform — MEI, SGR, MACRA/MIPS — and is CMMI's first mandatory specialty-level value-based model.

Q3 What happens to fee-for-service?

FFS continues as the base payment mechanism, layered with a **retrospective risk-based adjustment** starting at ±9%, rising to ±12%. Performance Year 1 is 2027; first payment adjustment is applied in 2029.

Q4 How will ASM affect chronic pain practice?

Practices will need **structural changes** (IT systems to capture and transmit outcomes/cost data, revised workflows) and **process changes** (outcomes documentation, PCP communication, care coordination, and CEHRT/FHIR interoperability).

Q5 What values does CMS track, and how?

Five initial quality measures collected via standardized tools across **all payers** (not just Medicare):
• High-risk medications in older adults • Depression screening
• BMI screening • Functional status change • Excess utilization
Tools: VAS/NRS, ODI/PROMIS, PHQ-9/GAD-7

Q6 What about complex elderly patients?

CMS applies a **complex patient scoring adjustment** based on HCC risk score and dual-eligible proportion. Practices should identify, stratify, document SDOH, and coordinate care — this population is ~**5% of patients but ~50% of national health expenditure**. Ref: 42 CFR §512.745.

PHYSICIAN OBLIGATIONS & AAPM SUPPORT

Q7 Does value-based care apply to all patients?

CMS's goal is to expand value-based care to **all Medicare populations by ~2030**. ASM initially targets low back pain, but participants must collect the same data across all payers per **42 CFR §512, Subsection G**.

Q8 Do physicians need to prove outcomes to be paid?

Yes. Physicians must submit data across **four domains** with specific weighting, scoring adjustments, and submission mechanisms — all under 42 CFR Part 512. Annual deadline: **March 31**.

Quality (50%) · **Cost (50%)** · Improvement Activities (scoring adj.) · Interoperability (scoring adj.)

Q9 How is AAPM preparing members?

Advocacy — since the 2015 MACRA legislation; negotiated ASM implementation timeline with CMS.
Education — plenary sessions on value-based care since 2021 Annual Scientific Conference.
Tools — AAPM is developing **PainOS**, an ASM-ready Pain Operating System for solo and small-group practices.

Q10 Next steps for physicians

Three categories of action required:

Procedural
- Confirm ASM participant status on CMS list
- Complete ASM contact information form
- Review current MIPS quality & cost data

Clinical Operations
- Embed PRO capture into workflow
- Add SDOH screening to encounters
- Formalize PCP communication protocol

Admin & Technology
- Execute PCP collaborative care agreements
- Confirm EHR is FHIR/CEHRT compliant
- Enable e-prescribing & PDMP query

Q11 Chronic LBP patient journey under ASM

No single standardized workflow exists yet. **Near-term priority:** implement structural Improvement Activities and Interoperability changes. **Medium-term:** optimize clinical workflow for quality/outcomes delivery.

Q12 What must the physician document?

Overlaps substantially with Q8. Physicians must document and submit data across all four ASM domains — Quality, Cost, Improvement Activities, and Interoperability — per the specifications in **42 CFR Part 512** by **March 31** annually.