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CMS News: CMS Launches New Model to Target Wasteful, Inappropriate Services in Original Medicare

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CMS Launches New Model to Target Wasteful, Inappropriate Services in Original Medicare

Model will leverage enhanced technologies to protect Medicare beneficiaries, federal taxpayers from unnecessary services, fraud, waste, and abuse

The Centers for Medicare & Medicaid Services (CMS) is announcing a new Innovation Center model aimed at helping ensure people with Original Medicare receive safe, effective, and necessary care. Through the Wasteful and Inappropriate Service Reduction (WISeR) Model, CMS will partner with companies specializing in enhanced technologies to test ways to provide an improved and expedited prior authorization process relative to Original Medicare's existing processes, helping patients and providers avoid unnecessary or inappropriate care and safeguarding federal taxpayer dollars. This model builds on other changes being made to prior authorization as announced by the U.S. Department of Health and Human Services and CMS on Monday.

"CMS is committed to crushing fraud, waste, and abuse, and the WISeR Model will help root out waste in Original Medicare," said CMS Administrator Dr. Mehmet Oz. "Combining the speed of technology and the experienced clinicians, this new model helps bring Medicare into the 21st century by testing a streamlined prior authorization process, while protecting Medicare beneficiaries from being given unnecessary and often costly procedures."

Wasteful care, including services that provide little to no clinical benefit, not only increase costs, but also put patients at risk. [Waste in healthcare represents](#) up to 25% of healthcare spending in the United States. The Medicare Payment Advisory Commission [estimates](#) that up to \$5.8 billion in Medicare spending in 2022 alone was spent on services with minimal benefit.

"Low-value services, such as those of focus in WISeR, offer patients minimal benefit and, in some cases, can result in physical harm and psychological stress," said Abe Sutton, Director of the CMS Innovation Center. "They also increase patient costs, while inflating health care spending."

The WISeR Model will test a new process on whether enhanced technologies, including artificial intelligence (AI), can expedite the prior authorization processes for select items and services that have been identified as particularly vulnerable to fraud, waste, and abuse, or inappropriate use. These items and services include, but are not limited to, skin and tissue substitutes, electrical nerve stimulator implants, and knee arthroscopy for knee osteoarthritis. The model excludes inpatient-only services, emergency services, and services that would pose a substantial risk to patients if significantly delayed.

Companies selected to participate in the model [will operate in assigned geographic](#) regions and must have clinicians with appropriate expertise to conduct medical reviews and validate coverage determinations. Importantly, while technology will support the review process, final decisions that a request for one of the selected services does not meet Medicare coverage requirements will be made by licensed clinicians, not machines.

Model participants will receive payments based on their ability to reduce unnecessary or non-covered services (inappropriate utilization) and lower spending in Original Medicare. Participants'

payments will be adjusted based on their performance against established quality and process measures that measure the model participants' ability to support faster decision-making for providers and suppliers and improve provider, supplier and beneficiary experience with the prior authorization process.

The WISeR Model will not change Medicare coverage or payment criteria. Health care coverage for Original Medicare beneficiaries remains the same, and beneficiaries retain the freedom to seek care from their provider or supplier of choice. Under the model, providers and suppliers in the assigned regions will have the choice of submitting prior authorization requests for selected items and services or their claim will be subject to pre-payment medical review. Those providers and suppliers that choose to submit a prior authorization may either submit their request directly to model participants or to their Medicare Administrative Contractor that will forward the request to the model participant. CMS may include a pathway in the future that would allow providers and suppliers with strong compliance records to qualify for exemptions from WISeR review, which would further reduce administrative burden and allow greater focus on high-risk areas. The WISeR Model does not impact people enrolled in Medicare Advantage.

CMS has issued a Request for Applications for companies interested in participating in the WISeR Model.

To view the Model Overview fact sheet, visit: <https://www.cms.gov/files/document/wiser-fact-sheet.pdf>.

For more information on the WISeR Model, visit: <https://www.cms.gov/priorities/innovation/innovation-models/wiser>.

The WISeR Model can be seen on the Federal Register at: <https://www.federalregister.gov/d/2025-12195>.

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