

News Release
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National Health Groups Call on Congress to Strengthen APM Incentives *More APMs Can Save the Medicare Trust Fund*

WASHINGTON — Eight national groups who represent providers practicing value-based care urged Congress to do more to encourage the adoption of alternative payment models (APMs) in Medicare as a way to improve patient care and prolong the Medicare Trust Fund. In a [statement for the record](#) provided to the Senate Finance Committee on its [hearing](#) regarding the Hospital Insurance Trust Fund and the Future of Medicare Financing, the groups point to evidence that APMs improve quality and patient outcomes while having successfully lowered the rate of spending growth in Medicare.

“Unfortunately, the pace of APM adoption has not been as fast as Congress desired when MACRA (the Medicare Access and CHIP Reauthorization Act) was passed in 2015. Today, there are more than 30 million traditional Medicare patients still in unmanaged, uncoordinated care,” the letter states. “Last week, CMS released data showing a very modest year-over-year growth in ACO participation, continuing a troubling trend of flat participation in MSSP (the Medicare Shared Savings Program). Greater incentives are needed for providers to participate in APMs, to outweigh the risk, uncertainty, and sizeable upfront and ongoing investments needed to participate. Congress can play a strong role in rebalancing those incentives and encouraging growth in Medicare programs that promote better patient outcomes at lower cost.”

Medicare program assets will be depleted by 2026, according to the most recent Medicare Trustees’ Report to Congress. Lawmakers can spur APM adoption by advancing incentives included in the bipartisan Value in Health Care Act ([H.R. 4587](#)). Among other things, the bill would extend by six years the 5 percent incentive payment Congress created in 2015 for participating in certain risk-bearing APMs.

“These bonuses have been instrumental in encouraging participation in risk-based APMs but expire at the end of this year,” the letter states. “Congress must act to prolong these bonuses and encourage more providers to enter into APMs to extend the benefits we describe above to more Medicare beneficiaries.”

The statement was jointly submitted by the American Medical Association, AMGA, America’s Physician Groups, Association of American Medical Colleges, Health Care Transformation Task Force, Medical Group Management Association, NAACOS, and Premier healthcare alliance.

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Contact:

David Pittman

Senior Policy Advisor

202-640-2689 or dpittman@naacos.com

About NAACOS. The National Association of ACOs (NAACOS) represents more than 12 million beneficiary lives through hundreds of organizations participating in population health-focused payment and delivery models in Medicare, Medicaid, and commercial insurance. Models include the Medicare Shared Savings Program (MSSP), Next Generation ACOs, and alternative payment models supported by a myriad of commercial health plans and Medicare Advantage. NAACOS is a member-led and member-owned nonprofit organization that works to improve quality of care, outcomes, and healthcare cost efficiency.