Statement on the Medicare Payment Advisory Commission's (MedPAC) June Report to Congress
Attributed to Clif Gaus, Sc.D., President and CEO of the National Association of ACOs (NAACOS)

Today's findings from MedPAC that the Medicare Shared Savings Program reduced spending between 1 percent and 2 percent from 2013 to 2016 mirrors results from a recent independent analysis commissioned by NAACOS and conducted by a health economics and policy consulting firm. That analysis showed $2.7 billion in overall savings and more than $660 million in net savings, after paying shared savings to accountable care organizations (ACOs).

While described in the MedPAC report as "modest", 1 percent to 2 percent savings translates into tens of billions of dollars of reduced Medicare spending and represents a contribution to bending the cost curve on hospital and outpatient services. These savings also come during a time of increased Medicare spending.

Additionally, we know that more experience leads to greater savings by ACOs, so compounded annually, we'd expect 1 percent to 2 percent savings early in the program to be substantially higher in future years.

No other payment innovation by CMS has generated the cost-saving results as ACO programs. Today's MedPAC report ends debate on whether or not ACOs save money and provides further evidence that Congress and CMS should enact positive changes to increase participation to help increase savings already yielded.

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About NAACOS. The National Association of ACOs (NAACOS) is the largest association of Medicare ACOs, representing more than 6 million beneficiary lives through 330 MSSP, Next Generation and Commercial ACOs. NAACOS is an ACO member-led and member-owned nonprofit organization that works on behalf of ACOs across the nation to improve the quality of care, population health and outcomes, and healthcare cost efficiency.