

News Release

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Many Significant ACO Changes Included in Proposed Medicare Rule

National Association of ACOs (NAACOS) President and CEO Clif Gaus, Sc.D., issued the following statement today on the Centers for Medicare & Medicaid Services' Proposed 2023 Medicare Physician Fee Schedule:

"NAACOS sends a big bravo to the Centers for Medicare and Medicaid Services (CMS) for taking steps to reach its goal of creating a stronger Medicare by strengthening accountable care models and speed the movement toward value for all patients. While we are still studying the major changes, policies in today's proposed Physician Fee Schedule will help grow participation in accountable care organizations (ACOs), helping realize the CMS Innovation Center's recent [Strategy Refresh](#) to have every Medicare beneficiary in a relationship with a provider accountable for his or her quality and total cost of care by 2030.

"Importantly, CMS projects today's proposed changes would save Medicare more than \$15 billion and yield \$650 million in higher shared savings payments to ACOs. We know the most successful alternative payment models (APMs) are when providers are held accountable for patient outcomes for the entire year, as ACOs do."

Among the positive changes proposed today, CMS proposed to:

- Give ACOs more time before advancing to the highest levels of risk;
- Make fairer, more accurate financial benchmarks for ACOs by incorporating a prospectively projected administrative growth factor;
- Add a health equity quality adjustment for high quality performance in ACOs with high underserved populations;
- Provide advance shared savings payments to smaller ACOs that serve underserved populations;
- Account for an ACO's prior savings in rebased benchmarks to help mitigate the lowering of an ACO's benchmark over time; and
- Make positive changes to quality scoring approaches.

"NAACOS thanks both the Biden administration and congressional champions of ACOs for their leadership on changes in today's rule. We will continue to work closely with CMS and Congress on additional necessary changes such as extending the 5 percent Advanced APM bonus, which expires this fall."

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About NAACOS. The National Association of ACOs (NAACOS) represents more than 13 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), Global and Professional Direct Contracting, ACO REACH, 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.