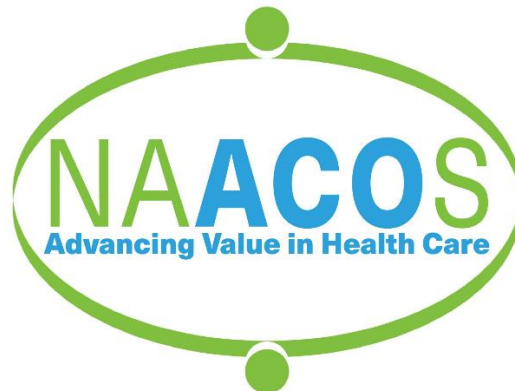


News Release
December 14, 2023



NAACOS Praises Introduction of New Senate Bill on Value-Based Care *Value in Health Care Act Would Help Lower Medicare Costs and Improve Quality*

WASHINGTON, DC – The National Association of ACOs (NAACOS), the leading national organization representing and supporting participants in accountable care models, today praised the introduction of a bipartisan Senate bill that would solidify Medicare’s move to value-based care. [The Value in Health Care Act](#) was reintroduced today by Sens. Sheldon Whitehouse (D-R.I.) John Barrasso (R-Wyo.), Peter Welch (D-VT), Thom Tillis (R-NC), Bill Cassidy (R-LA), John Thune (R-SD), and Marsha Blackburn (R-TN).

The bill, called the [Value Act](#) for short, provides a two-year extension of the 5 percent advanced alternative payment model (APMs) incentives created by the 2015 Medicare Access and CHIP Reauthorization Act (MACRA) and makes several improvements to CMS’s value-based care programs, including:

- Gives CMS the authority to adjust the thresholds to secure those incentive payments, allowing more opportunities to bring rural, underserved, primary care or specialty practices into APMs;
- Eliminates the artificial revenue-based distinction that disadvantages rural and safety net providers that are critical to improving access to care and improving health equity;
- Creates a more fair, more transparent process to set financial spending targets so that ACOs are not penalized for their own success;
- Establishes a voluntary track for ACOs to take on higher levels of risk;
- Provides technical assistance for clinicians new to APMs; and
- Studies ways to increase parity between APMs in traditional Medicare and Medicare Advantage so that both programs are attractive and sustainable options.

“ACOs have provided a tremendous return on Congress’s investment, generating billions in savings already. Lawmakers would be wise to further incentivize value-based care, which has been shown to provide better patient care at lower costs,” NAACOS President and CEO Clif Gaus, Sc.D., said.

“Lawmakers can start by extending Medicare’s incentives for participating in value-based care models. Continuing these incentives means that clinicians are able to reinvest in improving care and enhancing beneficiary services.”

A companion House bill ([H.R. 5013](#)) was introduced in July and [had the support](#) of 17 of the nation’s leading health stakeholder groups, including Accountable for Health, American Academy of Family

Physicians, American Academy of Orthopaedic Surgeons, American College of Physicians, American Hospital Association, American Medical Association, America's Essential Hospitals, AMGA, America's Physician Groups, Association of American Medical Colleges, Federation of American Hospitals, Healthcare Leadership Council, Health Care Transformation Task Force, Medical Group Management Association, National Association of ACOs, National Rural Health Association, and Premier, Inc. A summary of the bill is available [online](#), along with a [section-by-section summary](#) of the bill.

ACOs have saved Medicare more than \$22 billion in gross savings and nearly \$9 billion in net savings since 2012. Importantly, [data show](#) these ACOs continued to provide high-quality care and yield satisfied patients. Today, ACOs care for nearly 20 percent of all Medicare patients and nearly a third of traditional Medicare patients. Importantly in Medicare, ACOs allow patients to maintain their choice of provider, and there are no network restrictions or use of prior authorization.

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About NAACOS. The National Association of ACOs (NAACOS) represents more than 9 million beneficiary lives through Medicare's population health-focused payment and delivery models. NAACOS is a member-led and member-owned nonprofit of more than 430 ACOs in Medicare, Medicaid, and commercial insurance working on behalf of health systems and physician provider organizations across the nation to improve quality of care for patients and reduce health care cost.