

News Release
September 1, 2022



Eleven Provider Organizations Support Proposed ACO Changes *Groups Commend Policies to Grow ACO Participation*

WASHINGTON — In [comments](#) submitted today to the Centers for Medicare and Medicaid Services (CMS) in response to the proposed 2023 Medicare Physician Fee Schedule, 11 leading national healthcare associations and stakeholder groups applauded the agency’s work to grow participation in accountable care organizations (ACOs) in Medicare. The regulation, if finalized, would bring several positive changes to the Medicare Shared Savings Program (MSSP), Medicare’s largest value-based payment model, including giving ACOs more time before advancing to the highest levels of risk, providing fairer, more accurate financial benchmarks, making positive changes to quality scoring approaches, and providing advance shared savings payments to smaller ACOs that serve underserved populations.

“We appreciate that many of the proposed changes in this rule are responsive to recommendations we have made for improving the MSSP,” the letter states. “Ultimately, many of these proposals will help grow participation in ACOs and realize CMS’s stated goal to have all Medicare beneficiaries in a relationship with a provider who is responsible for quality and total cost of care.”

Specifically, the letter calls for CMS to:

Expand the types of ACOs who can receive advanced investment payments being proposed in MSSP. Advanced payments should be available to all ACOs who are working to achieve health equity.

Refocus the high and low revenue distinction of ACOs to address the characteristics of beneficiaries served by an ACO. While the groups appreciate proposed changes to ACOs’ progression through risk, ACOs that include certain providers like safety net hospitals and rural health clinics generally won’t benefit from the proposed changes, undermining the agency’s work to address health disparities.

Allow existing ACOs to opt-in to proposed benchmarking and risk adjustment policies. The vast majority of existing ACOs will not have access to these improved policies for several years, excluding them from their benefits.

Engage stakeholders in designing benchmarks for the future. The groups applaud CMS for recognizing the need for a long-term solution to the benchmarking “ratchet effect” with administrative benchmarks, but the agency needs a robust dialogue with stakeholders to avoid any unintended consequences.

Reconsider the timeline and other ACO requirements for requiring electronic quality reporting. While many of the proposed changes are a step in the right direction, more work is needed to ensure a smooth transition to electronic clinical quality measure reporting.

Support an extension of the Advanced APM bonuses. While it's ultimately up to Congress to extend the important 5 percent incentive payments, CMS leadership could work with Capitol Hill to ensure adequate incentives for APMs.

Utilize MSSP as an innovation platform. CMS could leverage ACOs to test new concepts typically reserved for CMS Innovation Center models such as a full-risk track, primary care capitation, and other public health emergency-era waivers.

The letter was signed by America's Essential Hospitals, American Academy of Family Physicians American Medical Association, AMGA, Association of American Medical Colleges, Federation of American Hospitals, Health Care Transformation Task Force, Medical Group Management Association, National Association of ACOs, National Rural Health Association, and Premier Inc.

Since 2012, ACOs [have saved](#) Medicare \$13.3 billion in gross savings and \$4.7 billion in net savings. Importantly, data show these ACOs continued to provide high-quality care and yield satisfied patients. Data also 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.

#####

Contact:

Aisha Pittman
Senior Vice President, Government Affairs
202-281-8802 or aisha_pittman@naacos.com

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, 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.