

September 16, 2019

Seema Verma  
Administrator  
Centers for Medicare & Medicaid Services  
Department of Health & Human Services  
7500 Security Boulevard Baltimore, MD 21244-1850

Dear Administrator Verma:

We, the nine undersigned organizations, write to express our strong concern with the long-delayed distribution of the five percent Advanced Alternative Payment Model (Advanced APM) bonus for performance year 2017. Under the 2015 Medicare Access and CHIP Reauthorization Act (MACRA), this bonus was expected to be distributed in calendar year (CY) 2019. After nearly two years, the delay in payment of the bonus remains both unexpected and unexplained.

MACRA passed with a large bipartisan, bicameral majority in Congress and is best known for repealing the flawed sustainable growth rate formula. Importantly, MACRA also created the Quality Payment Program (QPP) for traditional Medicare, which was intended to accelerate the transition of traditional Medicare away from its reliance on a flawed, fee-for-service payment system in part by providing incentives for physicians and other clinicians to move into Advanced APMs.

The signatories to this letter include organizations representing physicians, hospitals, medical group practices, academic medical centers, Medicare ACOs, payers, and patients. Our members took the necessary steps and made significant investments to prepare for participation in Advanced APMs, including hiring additional staff to improve care coordination within and across clinical care teams and investing in new technologies to support advanced care processes and performance data submission. Those participating in Advanced APMs assumed financial risk, which further illustrates their commitment to value-based care. Our members took these steps and assumed financial risk to participate in Advanced APMs with the expectation that some of these investments would be recouped in part by the five percent Advanced APM bonus.

The up to two-year delay between performance and payment is already significant. We are now nearing the end of the third quarter of 2019 and it is our understanding that no participants have received the expected bonus to date. In contrast, physicians and other clinicians participating in the Merit-based Incentive Payment System (MIPS) began receiving payment adjustments on January 1, 2019 for their 2017 performance. The reason for the holdup is unclear. The delay in payment of the Advanced APM bonus unfairly penalizes those that have diligently prepared for MACRA implementation by making investments with the expectation of a five percent positive adjustment in 2019. If these payments are not made soon, we fear

clinicians could be dissuaded from participating in Advanced APMs in the future, or worse, be forced to make difficult budgetary choices in the short-term that could hinder patient care or inhibit their ability to succeed in APMs, such as letting go of additional staff hired to support enhanced care coordination and other essential functions.

We are committed to seeing MACRA's continued progress, recognizing that policies may need to evolve and change over time. **Accordingly, we urge CMS to expeditiously pay the 2019 Advanced APM bonuses and in future years commit to pay these bonuses no later than June 30<sup>th</sup> of each year going forward.**

We seek to maintain the momentum toward value-based payment in Medicare. We look forward to working with CMS to ensure that the aims of the MACRA statute are achieved, resulting in high quality affordable care for patients.

### **Conclusion**

Thank you for your attention to this request. Again, we reiterate our robust support for MACRA and look forward to working with CMS to ensure a smooth continuation of the QPP. It is important that CMS continues to work with stakeholders to encourage participation in value-based payment models. We look forward to a response regarding the timely payment of the five percent bonus to our eligible members to strengthen and improve the MACRA program for current and future participants.

Sincerely,

American Academy of Family Physicians  
American College of Physicians  
American Medical Association  
American Medical Group Association  
America's Physician Groups  
Health Care Transformation Task Force  
Medical Group Management Association  
National Association of ACOs  
Premier