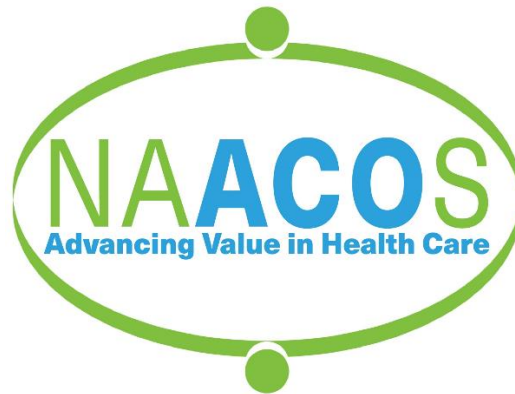


News Release  
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## **More than 600 Organizations from Across the Country Urge Congress to Extend Needed Value-Based Payment Incentives *Participation in Value Initiatives Will Drop Without Congressional Action***

**WASHINGTON** — Today, 24 national physician and health care associations and more than 600 health systems, hospitals, physician practices, health clinics, and accountable care organizations (ACOs) [pressed congressional leaders](#) to extend incentive payments for participation in risk-bearing alternative payment models (APMs). Incentives expire at the end of the year unless Congress acts.

The volume and diversity of the hundreds of supporters spans every corner of the country and shows the reach of APMs and the resulting incentive payments that will help ensure physicians and other clinicians have adequate resources to care for their patients.

Lawmakers in 2015 created a 5 percent incentive to help providers move into new payment models, such as ACOs, that encourage higher quality, more efficient, and more cost-effective care. The incentive has worked with nearly 300,000 clinicians receiving the incentive. Absent the 5 percent incentive, clinicians could be paid more under the Merit-based Incentive Payment System, which is an alternative to APMs. The letter argues an extension will give Congress more time to restructure physician payment overall to achieve its goals of better patient care at lower costs.

“The advanced APM incentive payments have allowed clinicians to cover some of the investment costs of moving to new payment models, including expanding care teams, developing programs to improve beneficiary care, and adopting population health infrastructure,” the letter states. “Incentives also help to improve care for patients by giving clinicians financial resources to expand services beyond those covered by traditional Medicare.”

While Congress extended the incentive for this year to 3.5 percent, it should be further extended at the full rate of 5 percent. Furthermore, limiting the payments to those who have received it for five years would kick off nearly 200,000 clinicians, hurting patient access to care, threatening the participation of specialists, and overall slowing the transition to accountable care models.

“In 2022, ACOs produced \$1.8 billion in savings that was returned to Medicare. This savings is significantly more than the \$644 million paid in incentives this year,” the letter states. “Medicare's advanced APM incentives are a good return on investment.”

The letter was signed by 630 organizations, including more than 600 medical practices, hospitals, health systems, and ACOs, and 23 provider associations and coalitions. Signing the letter were the American Medical Association, America's Physician Groups, AMGA, Health Care Transformation Task Force, National Association of ACOs, Premier Inc., Accountable for Health, American Academy of Family Physicians, American Academy of Neurology, American Association of Orthopaedic Surgeons, American College of Physicians, American Osteopathic Association, American Society for Radiation Oncology, American Society of Nephrology, America's Essential Hospitals, Association for Clinical Oncology, Association of American Medical Colleges, Association of Community Cancer Centers, Federation of American Hospitals, Medical Group Management Association, National Rural Health Association, Partnership to Empower Physician-Led Care, the Primary Care Collaborative, and the Society of Thoracic Surgeons.

The letter was sent to Senate leaders Chuck Schumer (D-N.Y.) and Mitch McConnell (R-Ky.), Speaker Pro Tempore Patrick McHenry (R-N.C.) and House Minority Leader Hakeem Jeffries (D-N.Y.)

ACOs have generated more than \$21 billion in gross savings for Medicare over the last decade and improved the quality of care for millions of patients. According to the Congressional Budget Office, federal spending on Medicare and Medicaid was 9 percent lower than original projections with improved care management and more efficient use of technology – hallmarks of APM participation – among the factors cited for these lower-than-expected costs.

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**About NAACOS.** The National Association of ACOs (NAACOS) represents more than 8 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 400 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.