November 24, 2026

The Honorable Mike Johnson
Speaker, U.S. House of Representatives
H-232, The Capitol
Washington, DC 20515

The Honorable Hakeem Jeffries
Democratic Leader, U.S. House of Representatives
H-204, The Capitol
Washington, DC 20515

The Honorable John Thune
Majority Leader, U.S. Senate
S-230, The Capitol
Washington, DC 20510

The Honorable Charles Schumer
Democratic Leader, U.S. Senate
S-221, The Capitol
Washington, DC 20510

Re: Protecting Medicare's Return on Investment in Accountable Care

Dear Speaker Johnson, Leader Jeffries, Leader Thune, and Leader Schumer:

On behalf of the National Association of Accountable Care Organizations (NAACOS), representing nearly 500 accountable care organizations (ACOs) and value-based care organizations serving more than 10 million beneficiaries nationwide, we urge Congress to extend incentives for clinicians participating in Advanced Alternative Payment Models (AAPMs), update APM qualifying thresholds, prevent further Medicare physician payment cuts, and direct the Centers for Medicare and Medicaid Services (CMS) to pilot test digital quality measurement.

The latest Medicare Shared Savings Program (MSSP) results demonstrate that Congress's investment in accountable care is delivering substantial returns for taxpayers and Medicare beneficiaries. In 2025, the 472 ACOs participating in MSSP generated **$7.4 billion in total savings**, including **$2.5 billion in net savings to Medicare.**[1] Meanwhile, eighty percent of ACOs in MSSP earned shared savings with every participating ACO meeting Medicare's quality requirement. ACOs also continue to outperform traditional Medicare providers on quality and patient experience measures.[2] Since their inception, ACOs have lowered Medicare spending by $44.8 billion, with average annual savings exceeding $700 per beneficiary. Patients in these models also experience better outcomes, fewer emergency department visits, and fewer hospitalizations.

[1] https://www.cms.gov/newsroom/press-releases/medicare-shared-savings-program-saves-more-2-5-billion-participating-acos-reach-record-12-6-million https://www.cms.gov/newsroom/press-releases/medicare-shared-savings-program-saves-more-2-5-billion-participating-acos-reach-record-12-6-million

[2] https://www.cms.gov/newsroom/fact-sheets/medicare-shared-savings-program-accountable-care-organizations-performance-year-2025-financial https://www.cms.gov/newsroom/fact-sheets/medicare-shared-savings-program-accountable-care-organizations-performance-year-2025-financial

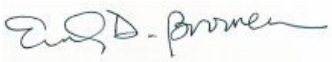
These results are the product of deliberate congressional policies that encouraged physicians and other clinicians to take accountability for quality and total cost of care. Today there are more than 14 million Medicare beneficiaries, representing over half of traditional Medicare, receiving care from clinicians participating in accountable care models. This includes more than 700,000 clinicians, 2,000 hospitals, and 12,000 health centers and rural health clinics nationwide. As a result, ACOs have become the cornerstone of Medicare's accountable care strategy. **To continue building on this success we ask Congress to include the following in an end-of-year health care extenders package:**

- **Extend AAPM incentives and freeze qualifying threshold for the 2027 performance year.** Without Congressional action, these incentives will expire and qualifying thresholds will increase to unsustainable levels just as participation is expanding among specialists and smaller practices.
- **Stop physician payment cuts.** Extend the 2.5 percent Medicare Physician Fee Schedule update to avoid significant payment cuts for both APM and non-APM physicians which threatens patient access and undermines the transition to more accountable care.
- **Pass the Health Care Efficiency Through Flexibility Act (H.R. 5347).** This bipartisan legislation unanimously passed the House in June to direct CMS to pilot test the transition to digital quality measurement.

These reforms will bolster participation in accountable care models and help practices continue making long-term investments in care coordination, population health management, data analytics, and preventive care. Few Medicare programs have demonstrated a stronger record of improving patient outcomes while reducing costs than accountable care. For example, a senior with multiple chronic conditions receiving coordinated care through an ACO could generate nearly $40,000 in savings for Medicare while reducing their own out-of-pocket costs by nearly $2,000.[3]

Rather than retreat from this progress, Congress should build on it by advancing policies that strengthen accountable care. At a time when policymakers are seeking opportunities to improve Medicare's sustainability and care delivery, now is not the time to pull back from one of the program's clearest success stories. We appreciate your continued leadership and look forward to working together to advance policies that keep Americans healthier and make our health care system more effective and efficient. If you have any questions, please contact Aisha Pittman, Senior Vice President of Government Affairs, at apittman@naacos.com.

Sincerely,



Emily D. Brower
President and CEO
NAACOS

Cc: Chairman Crapo; Ranking Member Wyden; Chairman Guthrie; Ranking Member Pallone; Chairman Smith; Ranking Member Neal

[3] https://www.modernizeacos.org/wp-content/uploads/2026/03/Final-Infographicv2.pdf