

April 26, 2016

Patrick Conway, MD  
Deputy Administrator for Innovation & Quality  
CMS Chief Medical Officer  
Centers for Medicare & Medicaid Services  
7500 Security Boulevard  
Baltimore, Maryland 21244

Dear Deputy Administrator Conway,

We, the undersigned, strongly support CMS' drive towards value-based care, and your leadership in developing models within CMMI that support this goal. We have participated in value-based Medicare models such as the Next Generation ACO, Pioneer ACO, the Medicare Shared Savings Program ACO, the Physician Group Practice Demonstration and the Bundled Payment for Care Improvement models.

We would like to bring to your attention a matter of critical importance to all of us: the current ACO/BPCI overlap policy that has the potential to turn delivery systems away from the ACO models – and particularly the most advanced Next Generation ACO model -- and reverse gains CMS has made toward its laudable goal of having 50% of Medicare payments in an alternative payment model by 2018.

Under current policy, we believe that funds flow between the two models can negatively impact ACOs – particularly high performing ACOs -- to such a degree that it could make it difficult, if not impossible, for these ACOs to realize any shared savings. This will likely force high-performing ACOs and other low cost ACOs to withdraw from the ACO models, particularly the models with downside financial risk.

CMS has a stated goal of supporting value-based payment models that link accountability for cost, quality and experience of care. The ACO models promote value at the highest level, with accountability for population cost, quality and experience over multiple years. The CMS ACO models were designed to hold ACOs accountable for the total cost of care of the Medicare beneficiaries aligned to them, regardless of where care is “initiated.” However, the current overlap policy removes from ACO accountability the cost of care during a BPCI episode, while still holding the ACO accountable for patient experience and quality, de-linking the components of the three-part aim.

We support CMS' approach to testing and evolving multiple approaches to deliver value, including BPCI models. However, we would strongly encourage you to look quickly into alternative approaches to the current overlap policy so that both ACO and BPCI models can thrive, and CMS can achieve its goals for the growth of alternative payment models. The current policy defaults to the benefit of bundled participants where other policy choices are possible. An alternative to the current overlap policy, that does not subject ACOs to BPCI target pricing, is particularly important now to support continued participation in ACO models.

Should you have any questions, please contact Emily Brower from Atrius Health at 617.559.8567 or at Emily\_Brower@atriushealth.org.

Thank you for your timely attention to this matter.

Sincerely,

**ABS Managed Care Administrators, Inc.**  
**Accountable Care Options, LLC**  
**Aledade, Inc.**  
**Amarillo Legacy Medical ACO**  
**American Health Network of Indiana, Inc.**  
**American Health Network of Ohio, PC**  
**AMGA**  
**AmpliPHY Physician Services, LLC**  
**ApolloMed ACO**  
**Ascension**  
**Atrius Health**  
**Beth Israel Deaconess Care Organization**  
**Brown & Toland Physicians**  
**Central MN ACO, LLC**  
**CHESS NextGen, LLC a subsidiary of Cornerstone Health Enablement Strategic Solutions, LLC North Carolina**  
**Circle Health Alliance, LLC**  
**Collaborative Health Accountable Care Organization**  
**Collaborative Health Systems, A Universal American Company**  
**Crystal Run Healthcare ACO, LLC**  
**Deaconess Care Integration**  
**Delaware Valley ACO**  
**Delmarva Health Network**  
**Evolut Health**  
**Fairview Health Services**  
**Franciscan Alliance Accountable Care Organization**  
**Geisinger Health System**  
**Kentucky Primary Care Alliance**  
**Keystone Accountable Care Organization, LLC**  
**Massachusetts Medical Society**  
**Medical Home Network ACO**  
**The MemorialCare Regional ACO**  
**MetroWest Accountable Healthcare Organization**  
**MHT-ACO**  
**Michiana Accountable Care Organization, LLC**  
**Michigan Pioneer Accountable Care Organization**  
**MissionPoint Health Partners**  
**Monarch HealthCare**  
**Mount Auburn Cambridge Independent Practice Association**  
**NAACOS**  
**National ACO, LLC**  
**NH Accountable Care Partners**  
**Ohio Integrated Care Providers, LLC**  
**Optum Accountable Care**  
**Palm Beach Accountable Care Organization, LLC**

**Premier healthcare alliance**  
**PremierMD ACO LLC**  
**ProHealth Solutions, LLC**  
**Prospect ACO CA**  
**Quality Independent Physicians, LLC**  
**Reliance ACO LLC**  
**Reliant Medical Group**  
**Select Health Network**  
**Sharp HealthCare**  
**South Florida Accountable Care Organization, LLC**  
**ThedaCare ACO**  
**Triad HealthCare Network**  
**Trinity Health**

cc:

Sean Cavanaugh, Deputy Administrator and Director, Center for Medicare  
Dr. Hoangmai Pham, Chief Innovation Officer and Acting Group Director, Policy and Programs Group  
Dr. Rahul Rajkumar, Deputy Director, Center for Medicare and Medicaid Innovation  
Amy Bassano, Director, Patient Care Models Group