



## PRESS RELEASE

### **NAACOS Deeply Concerned about Future of ACOs Given MACRA Rule and Recent CMS Policy Decisions**

WASHINGTON, D.C. (April 28, 2016) The Centers for Medicare & Medicaid Services (CMS) recently released the notice of proposed rulemaking (NPRM) to implement key provisions of the Medicare Access and CHIP Reauthorization Act (MACRA). The proposed rule includes important details on alternative payment models (APMs), including those that CMS considers advanced APMs. Unfortunately, CMS only proposes a very limited number of APMs to qualify as eligible for the MACRA APM bonus, and the agency has chosen to exclude Track 1 of the Medicare Shared Savings Program (MSSP), which is broadly considered a premier Medicare APM.

NAACOS has repeatedly advocated that all ACOs be included as eligible APMs under MACRA and that CMS recognize and reward the significant investments ACOs make to provide high quality care and participate in the program. "We are incredibly disappointed the agency has chosen to exclude Track 1 ACOs," said Clif Gaus, President and CEO of NAACOS.

The proposed MACRA rule is another concerning issue in a string of recent CMS policies that could threaten the future of ACOs. The overlap of bundled payments and ACOs, and the new Comprehensive Primary Care Plus (CPC+) model, which excludes ACOs, are leaving many to wonder how ACOs will survive in this current environment.

Clif Gaus responded, "It feels like CMS keeps taking swings with anti-ACO policies. ACOs fundamentally support moving toward value and improving the quality, cost, and experience of care—all of which are cornerstones of the ACO model. However, each of the CMS policies includes significant hits to ACOs that separately, let alone together, could mean the end of ACOs as we see them today."

Even more concerning, preliminary results from a soon to be released NAACOS survey show the significant financial investment and policy implications for ACOs.

- MSSP Track 1 ACOs were asked what they would do if they were NOT eligible for the 5 percent advanced APM bonus, and **55 percent said they were somewhat or very likely to drop from the program.** This would mean big decreases to the number of participating ACOs.
- ACOs are not saying this lightly. They have made a significant investment. In fact, when surveyed ACOs were asked how much of an investment they have made into the MSSP, **over 80 percent said their startup and ongoing operational costs are significant or very significant.** Only 12 percent indicated these costs have been negligible or nominal.

NAACOS believes that these preliminary survey findings clearly indicate significant investment and "skin in the game" that ACOs have in improving the value of health care. "There's just too much to lose if these policies stay as is. These ACOs are working incredibly hard and investing a lot to improve care for their patients and their communities. We have to do better," replied Clif Gaus.

NAACOS, on behalf of more than 200 ACO members, will be strongly advocating for changes to CMS.