

News Release
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More than 800 ACOs and Other Provider Organizations Ask Congress to Save Value-Based Payment Incentives

Participation in Value Initiatives Will Drop Without Congressional Action

WASHINGTON — More than 800 health care associations, accountable care organizations (ACOs), medical practices, and health systems urged leaders in Congress [in a letter](#) sent today to extend incentive payments meant to encourage participation in risk-bearing alternative payment models (APMs). Those incentives expire at the end of the year unless Congress acts.

Congress in 2015 created a 5 percent incentive payment to help providers move to new payment models, which include ACOs. While there are nearly 300,000 clinicians expected to receive the incentive this year, that's nowhere near where Congress expected it to be when it was created. Therefore, the letter calls on lawmakers to extend the incentives to allow more time for a greater number of providers to move into APMs, which have shown an ability to improve quality and lower overall cost of care.

"Ending these important incentive payments would discourage future participation in models that have seen growing uptake in recent years," the letter states. "The incentive payments not only encourage physicians and additional health care practitioners to enter models, but also provide additional resources that can be used to expand services beyond traditional fee-for-service."

The 5 percent incentives and the benefits they bring our health system will be the subject of a [briefing](#) hosted Thursday on Capitol Hill. The event is being co-hosted by the National Association of ACOs (NAACOS), and those interested can RSVP [here](#).

The letter was signed by 805 organizations, including just under 600 medical practices, more than 200 ACOs and health systems, and 17 provider associations and coalitions. Signing the letter were the Alliance for Technology Driven Health, American Academy of Family Physicians, American College of Physicians, American Medical Association, American Medical Group Association, America's Essential Hospitals, America's Physician Groups, Association of American Medical Colleges, Association of Community Cancer Centers, Health Care Transformation Task Force, Medical Group Management Association, National Association of ACOs, National Rural Health Association, Partnership to Empower Physician-Led Care, Premier, Inc., Primary Care Collaborative, and Value Based Care Coalition.

If the incentives expire, the letter's signers fear important services offered to patients would be lost. For example, the money helps providers invest in digital health tools, care coordinators, data analytics, transitional care services, and innovative patient engagement methods. All these tools help to improve patient outcomes, care quality, and satisfaction. If the incentives go away, patient care would be diminished.

"ACOs, the predominant type of Advanced APM, have used these incentives to fund wellness programs, pay for patient transportation and meals programs, reduce cost sharing for beneficiaries, and hire care coordinators," the letter states. "These are services that are not typically reimbursed through Medicare but improve patient health outcomes and wellbeing."

Since 2012, ACOs have saved Medicare nearly \$17 billion in gross savings and \$6.3 billion in net savings. Importantly, data show these ACOs continued to provide high-quality care and yield satisfied patients. Today, ACOs care for nearly 20 percent of all Medicare patients and nearly a third of traditional Medicare patients. Importantly in Medicare, ACOs allow patients to maintain their choice of provider, and there are no network restrictions or use of prior authorization.

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About NAACOS. The National Association of ACOs (NAACOS) represents more than 13 million beneficiary lives through hundreds of organizations participating in population health-focused payment and delivery models in Medicare, Medicaid, and commercial insurance. Models include the Medicare Shared Savings Program (MSSP), Global and Professional Direct Contracting, and alternative payment models supported by a myriad of commercial health plans and Medicare Advantage. NAACOS is a member-led and member-owned nonprofit organization that works to improve quality of care, outcomes, and healthcare cost efficiency.