

News Release
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NAACOS Praises Positive Changes for ACOs in Final CMS Rule

National Association of ACOs (NAACOS) President and CEO Clif Gaus, Sc.D., issued the following statement today on the Centers for Medicare & Medicaid Services' Final 2023 Medicare Physician Fee Schedule:

"Today's finalized changes to Medicare's largest ACO program bring a win to patients and will absolutely help providers deliver accountable care to more beneficiaries. NAACOS thanks the Centers for Medicare and Medicaid Services (CMS) for its leadership and following through on its promise to create a stronger Medicare program by improving accountable care models and speeding the movement toward value for all patients. On balance, we believe this final rule will grow participation in accountable care organizations, which have already generated billions of dollars of savings for our health system.

"However, we remain concerned with CMS's use of a prospectively projected administrative growth factor for ACO benchmarks or their financial spending targets. As we stated in our comments on the proposed rule, more than a third of ACOs would be harmed by this change. Instead, we ask for more collaboration between CMS and the ACO community to build a better bridge to a more sustainable benchmarking strategy. Specifically, CMS should consider correcting the 'rural glitch,' where ACOs no longer benefit from the regional adjustment when lowering the spending of their assigned patients. This change would greatly help ACOs, but remains in effect even after today's changes."

Among the positive changes finalized today, CMS will:

- Give ACOs more time before being forced to take on financial risk, including allowing some up to seven years before taking on risk and making the Enhanced Track optional;
- Provide advance shared savings payments to some ACOs that serve underserved populations;
- Add a health equity quality adjustment for high quality performance in ACOs with high underserved populations; and
- Create better and more fair financial benchmarks for ACOs by accounting for prior shared savings to help mitigate the lowering of an ACO's benchmark over time.

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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.