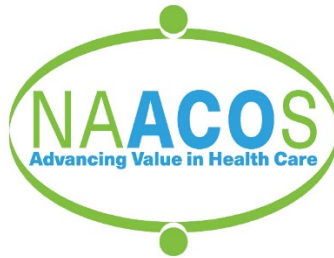


News Release  
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## **NAACOS Statement on 2022 Direct Contracting Savings**

*Attributed to Clif Gaus, Sc.D., President and CEO of the National Association of ACOs*

The Center for Medicare and Medicaid Innovation today released [2022 results](#) for the [Direct Contracting Model](#), which has since been transformed into the ACO REACH Model. NAACOS congratulates the Direct Contracting Entities (DCEs) who earned savings, which was more than three-quarters of those who participated. Collectively, they generated \$870 million in gross savings and \$484 million in net savings after accounting for shared savings and losses and discounts paid. This represents a nearly 3 percent savings rate for the 99 model participants. Importantly, gross savings increased more than seven times between 2021 and 2022, driven by growth in participation.

These data reaffirm the need to invest in alternative payment models that hold providers accountable for patients' total cost of care and quality. Direct Contracting offers many innovative flexibilities and waivers to allow providers to effectively manage their patients to deliver the right care, in the right setting, at the right time. For example, the model tests hybrid payment that allows for practices to receive population-based payments rather than fee-for-service payments. Notably, Direct Contracting maintains patients' freedom of choice and does not impose prior authorization. NAACOS was pleased to see many positive changes to Direct Contracting in ACO REACH, and we are excited to see what results that model delivers. We look forward to working with CMS to bring these learnings to other ACO models, including the Shared Savings Program and future models out of the Innovation Center.

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