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September 8, 2022

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Pelosi, Leader Schumer, Minority Leader McCarthy, and Minority Leader McConnell:

On behalf of AMGA and our members, I want to thank you for your continued support of healthcare organizations throughout the novel coronavirus (COVID-19) pandemic. Your leadership ensured that multispecialty medical groups and integrated systems of care throughout the country received the funding, resources, and flexibilities needed to treat the communities they serve. Although advances in vaccine development and therapeutics have evolved since the onset of this pandemic, the overall impact of this public health emergency (PHE) continues to have significant long-term repercussions for the healthcare system. Congress must ensure that the necessary infrastructure is in place so AMGA members can continue to provide the highest quality care to their patients.

Founded in 1950, AMGA is a trade association leading the transformation of health care in America. Representing multispecialty medical groups and integrated systems of care, we advocate, educate, innovate, and empower our members to deliver the next level of high-performance health. AMGA is the national voice promoting awareness of our members' recognized excellence in the delivery of coordinated, high-quality, high-value care. Over 177,000 physicians practice in our member organizations, delivering care to more than one in three Americans. Our members are also leaders in value-based care delivery, focusing on improving patient outcomes while driving down overall healthcare costs.

As we near the end of the 117th Congress, we wanted to highlight some key issues that need to be addressed by the end of the year. The following are critical actions Congress must take for multispecialty medical groups and integrated systems of care and the communities we serve:

- Stop the scheduled 10.4% cuts to Medicare payments by
 - Eliminating Medicare Pay-As-You-Go (PAYGO) cuts
 - Delaying Medicare sequestration cuts
 - Addressing the decrease in the Medicare conversion factor
- Promote telehealth

- Improve and Incentivize value-based models of care
- Preserve Medicare Advantage (MA)

Stop Potential Cuts to Medicare

For the second year in a row, providers face a 10% cut to Medicare reimbursement that could deeply impact access to care for Medicare patients in communities across the nation. In 2021, these cuts were paused for a year by the passage of *the Protecting Medicare and American Farmers from Sequester Cuts Act* (S. 610). While AMGA members were grateful for the relief, continued Medicare cuts, workforce shortages, historic inflation, and the ongoing strain due to the COVID-19 pandemic is creating an additional burden on providers and patients.

Recently, AMGA surveyed our members on what actions they would be forced to take if a 10% cut in Medicare reimbursements was implemented. The survey found that 73% of respondents will implement hiring freezes and 69% will be forced to eliminate services. Also, 58% of these provider groups will have to delay investments in addressing social determinants of health, while 67% will delay population health initiatives.¹ These staggering statistics illustrate that this 10% Medicare cut will have a detrimental impact on patient access and care and must be stopped.

Promote Telehealth

At the onset of this pandemic, AMGA members altered how they delivered care by eliminating elective surgeries and procedures and keeping patients away from their facilities. As a result, a significant expansion of telehealth services occurred, allowing providers to reach patients in unprecedented ways. For example, our members reported an increase from 10 telehealth visits per month to an average of 2,000 telehealth visits per week. Patients have come to expect telehealth services as a standard method of care delivered by their provider. Congress needs to ensure that this service remains available to all patients permanently and that AMGA members can use the technology as part of their innovative delivery models, which promote patient convenience and safety.

The following telehealth policy areas must be addressed to ensure a more stable delivery system:

- Medicare geographic and originating site of service limits need to be eliminated.
- Medicare payment parity between in-office and telehealth should be continued permanently.
- Audio-only services should be protected by ensuring pay parity between audio-only and telehealth visits. In addition, audio-only diagnoses that are made via telehealth should be factored into risk adjustments.
- Federal licensing and credentialing standards for telehealth services should be established.

We appreciate your efforts to pass the *Consolidated Appropriations for FY 2022 Act* (H.R. 2471) into law last March. This law extends the current telehealth flexibilities for 151 days beyond the expiration of the PHE. We also appreciate the recently House passed 2-year extension of these telehealth policies in the *Advancing Telehealth Beyond COVID-19 Act of 2022* (H.R. 4040). We urge swift Senate action, but a permanent solution is needed so that patients have consistent access to care.

Improve and Incentivize Value-Based Models of Care

Recently, the Centers for Medicare & Medicaid Services (CMS) announced that the Medicare Shared Savings Program (MSSP) had saved the Medicare program \$1.66 billion in 2021 as compared to spending targets. This marked the fifth consecutive year the MSSP has generated overall savings as compared to expected Medicare

¹ https://www.amga.org/getmedia/b4304b9f-0b52-4118-a162-0088eff2068d/Medicare-cuts_survey_08-29-22.pdf

expenditures.² The success of the MSSP demonstrates the importance of the 5% Advanced Alternative Payment Model (APM) incentive payment. When the *Medicare Access to CHIP Reauthorization Act of 2015* was enacted, it set in motion a transition to value-based Medicare physician payment. Part of the law created a 5% Advanced APM incentive, which strongly motivated providers to move towards value-based payment. Eligibility to earn incentive payments is set to expire at the end of 2022, and Congress must extend these payments for at least another six years to continue and support the transition to value-based care.

Despite the demonstrated success of the federal Accountable Care Organizations (ACOs) program, significant obstacles remain in program design that threaten the future viability of the ACO program. One impediment is that CMS currently includes all beneficiaries in the regional adjustment factor that is used to calculate an ACO's benchmark, which is disadvantageous to ACOs that perform well relative to the rest of their region. To remedy this situation, policymakers should remove an ACO's population from CMS' regional adjustment calculation, which would reward them for delivering higher quality, lower cost care, regardless of their geographic location. Additionally, Congress should increase the shared savings rates for ACOs in the MSSP, update risk adjustment rules, eliminate the artificial distinction between "high" and "low" revenue ACOs, and reinstate the ACO Investment Model.

Congress should approve the *Value in Health Care Act of 2021* (H.R. 4587) and the *Accountable Care in Rural America Act* (H.R. 3746) to improve and strengthen the MSSP program and extend Advanced APM incentives.

Preserve Medicare Advantage

Today, 46% of all Medicare beneficiaries have enrolled in MA plans, and AMGA members care for many of these patients.³ As a financing model that emphasizes preventative care and value, MA aligns with the goals of both multispecialty medical groups and integrated systems of care, resulting in improved care at a reduced cost. MA plans incentivize team-based care and help providers deliver the right care at the right time. Congress should carefully consider any MA policy changes to ensure that they do not negatively impact care, which can disproportionately affect minority beneficiaries and those with social risk factors, as those beneficiaries are served more by MA plans than by traditional Medicare fee-for-service.⁴

Thank you for supporting policies that ensure providers have the resources they need to care for patients during this public health crisis and beyond. If we can provide you with any more information, please feel free to contact me or AMGA's Chief Policy Officer Chet Speed at cspeed@amga.org.

Sincerely,



Jerry Penso, M.D., M.B.A.
President and Chief Executive Officer, AMGA

² <https://www.cms.gov/newsroom/press-releases/medicare-shared-savings-program-saves-medicare-more-16-billion-2021-and-continues-deliver-high>

³ https://www.medpac.gov/wp-content/uploads/2022/03/Mar22_MedPAC_ReportToCongress_SEC.pdf

⁴ BMA-State of MA Report 2021." Better Medicare Alliance, 2021, bettermedicarealliance.org/wp-content/uploads/2021/05/BMAState-of-MA-Report-2021.pdf