



## 2017 Issue Brief

### Accountable Care Organizations

#### Issue

Participants in the federal Accountable Care Organization (ACO) program have made significant improvements in care processes and the delivery of high-quality care, while reducing health care utilization. Although many ACOs have increased quality and achieved the goal of saving Medicare dollars, program results have been uneven at best. ACOs have encountered significant obstacles in program design that threaten not only their own success, but also the future viability of this program.

AMGA members have invested significant financial, clinical, operational, and leadership resources to establish sophisticated care management infrastructures and organizational cultures necessary to support the goals of the ACO program. They have done so because it is the right thing to do for their patients and they want to assist Congress, the Centers for Medicare and Medicaid Services (CMS), and other payers to create the new payment models that reward coordinated, patient-centered care with measurable outcome improvements. To achieve that goal, ACOs need a workable financing and operational structure that adequately incentivizes this important work.

#### AMGA Asks Congress to:

**Support the ACO Improvement Act.** Rep. Diane Black (R-TN) and Rep. Peter Welch (D-VT) introduced this bill last Congress, which encourages patient engagement by allowing all Medicare Shared Savings Program (MSSP) ACOs (including Track 1) to waive copays and cost sharing for primary care services. The ACO Improvement Act would reduce regulatory burdens by waiving, for all MSSP ACOs, site-of-service requirements for Medicare reimbursement of telehealth services. H.R. 6101 would allow for prospective assignment of beneficiaries for all MSSP ACOs, so that providers know who their patients are and could better coordinate their care.

CMS has made some improvements to the ACO Program, such as extending the participation in MSSP Track 1 from a maximum of three years to a maximum of six years, creating Track 1+, and improving the benchmark policy. Additional legislative changes are needed to further improve the program. This includes creating more incentives for all ACOs, modifications to the Minimum Savings Rate, an appropriate risk adjustment policy, and continuation of fraud and abuse waivers beyond the term of an ACO.