



Advancing High Performance Health

Recommendations for Successful Transition to Value-Based Care

Below are [AMGA's](#) recommendations to the incoming Trump-Pence Administration and Congress to further the transition to a value-based healthcare system based on AMGA's White Paper on Risk¹ that found significant obstacles are slowing the transition.

AMGA Recommendations on Succeeding in a Value-Based Healthcare System

1. Congress should require federal and commercial payers to provide access to all administrative claims data to healthcare providers. Without this data, it is almost impossible to manage a patient's care and cost. Access to this data is often denied or limited.
2. Congress should require federal and commercial payers and providers to standardize data submission and reporting processes. Currently, medical groups submit data to different insurance companies in different formats, creating a massive administrative burden.
3. Congress should create a fund that allows providers to use income on a tax-free basis to invest in taking downside risk. These monies would be tax-free only if they were used to make the multimillion-dollar investments in the infrastructure necessary to take downside risk or used to offset losses in risk contracts. Lack of access to capital is a significant impediment to taking risk and use of these tax-free funds would ease concerns over consolidation.

AMGA Recommendations on Succeeding in MACRA

1. Congress should not penalize Advanced Alternative Payment Models (APMs) if there are insufficient levels of risk arrangements in their local markets. Under the Medicare Access and CHIP Reauthorization Act (MACRA), an Advanced APM must meet strict revenue threshold requirements, which rely on a robust commercial risk market. According to AMGA's survey, that market is underdeveloped at best. If there is an insufficient level of commercial risk penetration in a local market, an Advanced APM would instead have to

meet the 25 percent Medicare financial threshold to qualify for the Advanced APM incentive.

2. Congress should allow Medicare Advantage revenue to count in payment year 2019 as meeting the Advanced APM revenue threshold.
3. Congress should allow all federal Accountable Care Organizations (ACOs) to qualify as Advanced APMs. Moreover, Congress should allow all ACOs to choose prospective attribution methods so they can understand who their patients are. Congress should require CMS to revise its risk-adjustment methodology so it reflects actual patient acuity and to provide regulatory relief, such as waivers from the skilled nursing facility three-day rule, to all federal ACOs.

References

1. AMGA. 2016. *Taking Risk, 2.0: Is the Transition to Value Slowing? AMGA's Second Annual Survey on Taking Risk*. Available at amga.org/risk2wp.

Note to media: For more information on AMGA's public policy efforts or to arrange an interview with AMGA leaders, please contact Sharon Grace, sgrace@amga.org, 703.838.0033 ext. 393.