

2025 Issue Brief Pathway to Value

Issue

Over the past several years, federal policymakers have embarked on bipartisan efforts to transition the current healthcare landscape from fee-for-service to high-value care and reimbursement. However, providers still face significant impediments to taking risk, which slows the progress of moving to an actual high-value healthcare system. Policymakers must address the significant obstacles and challenges that currently exist in the healthcare market to create a clear pathway to high-value care.

Improve and Incentivize High-Value Models of Care

Last year, the Centers for Medicare & Medicaid Services (CMS) announced that in 2023 the Medicare Shared Savings Program (MSSP) yielded a program record of more than \$5.2 billion in net savings. Accountable Care Organizations (ACOs) in the MSSP garnered a total of \$3.1 billion in earned shared savings payments, another program record.ⁱ

The success of the MSSP demonstrates the importance of the 5% Advanced Alternative Payment Model (APM) incentive payment. When the Medicare Access and CHIP Reauthorization Act of 2015 was enacted, the statute created a 5% Advanced APM incentive, which motivated providers to move toward value-based payment. The APM incentive ended on Dec. 31, 2024; however, Congress temporarily extended the eligibility to earn incentive payments until Sept. 30, 2025, at a lowered rate. Congress needs to extend the Advanced APM incentive payment so AMGA members can continue to invest in the ACO model.

The Preserving Patient Access to Accountable Care Act (H.R. 786/S. 1460) reinforces the shift to value-based care by extending the Advanced APM incentive payments through payment year 2027 based on performance year 2025. This legislative proposal also extends the eligibility thresholds in effect for performance year 2023 through payment year 2027.

AMGA asks Congress to:

- **Approve the Preserving Patient Access to Accountable Care Act (H.R. 786/S. 1460), which encourages participation in Advanced APMs.**

ⁱ Medicare Shared Savings Program Continues to Deliver Meaningful Savings and High-Quality Health Care. CMS.Gov, The United States Department of Health and Human Services, 29 Oct. 2024, www.cms.gov/newsroom/press-releases/medicare-shared-savingsprogram-continues-deliver-meaningful-savings-and-high-qualityhealth-care.