

Health-Care Groups Unite Against Medicare Savings Proposal

By Shira Stein

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- Groups include American Medical Association, America's Health Insurance Plans, Medical Group Management Association, Premier
- Groups asking Medicare agency to delay requiring sharing in financial risk

A rare alliance of some of the largest health-care industry groups has gotten together to ask the Medicare agency to modify its proposed changes to a coordinated care savings program.

The Association of American Medical Colleges, American College of Physicians, America's Essential Hospitals, America's Health Insurance Plans, American Medical Association, Health Care Transformation Task Force, Medical Group Management Association, National Association of ACOs, and Premier sent a letter to the Centers for Medicare & Medicaid Services Sept. 20 to ask the CMS to allow coordinated care groups to spend more time in a savings-only model.

The CMS estimates 109 fewer of the groups—known as accountable care organizations (ACOs)—could participate in the Medicare Shared Savings Program in the next decade as a result of changes made in a proposed rule (RIN:0938-AT45). The rule would require that the groups share in financial risk for their patients' health-care spending instead of sharing only in savings.

The MSSP was set up under the Affordable Care Act and is an alternative payment model, a type of payment system where providers earn rewards for delivering high quality and cost-efficient care in exchange for taking on risk. Accountable care organizations are groups of doctors, hospitals, and providers who coordinate care for patients and are rewarded for providing high-quality care while creating savings for Medicare. ACOs can share in the savings to Medicare if they meet certain quality standards.

"Our recommendations reflect our unified desire to see the MSSP achieve the long-term sustainability necessary to enhance care coordination for Medicare beneficiaries, lower the growth rate of healthcare spending and improve quality in the Medicare program," the groups wrote. "Program changes that deter new entrants would shut off a pipeline of beginner ACOs that should be encouraged to embark on the journey to value."

There are 561 ACOs in the savings program, and all would be affected by this rule, according to the CMS. Those ACOs serve 10.5 million Medicare beneficiaries. The proposed rule estimates Medicare savings of \$2.2 billion. Some health-care providers predict smaller savings.

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