22 organizations submit joint comments on ACO benchmarking rule

Urges CMS to modify benchmarking methodology and further refine Medicare Shared Savings Program (MSSP) to ensure greater participation

WASHINGTON, D.C. (March 25, 2016) — Today, 22 organizations submitted joint comments to the Centers for Medicare & Medicaid Services (CMS) in response to the agency’s February 3 proposed rule to modify the benchmark rebasing methodology for Accountable Care Organizations (ACOs) in the MSSP program (ACO benchmarking proposed rule). The joint comments represent the collective views of organizations representing physicians, hospitals, medical group practices, academic medical centers and nearly all existing MSSP ACOs.

In the comments, signers expressed strong support for CMS’s proposal to incorporate regional cost data into benchmarks, arguing that the current method of basing benchmarks solely on ACO-specific historical spending penalizes ACOs for performing well in the past, and forces them to chase increasingly more challenging benchmarks in subsequent agreement periods. By blending historical and regional cost data, commenters note that CMS will improve the long-term viability of the program by attracting new providers, while also improving the odds of retaining current participants.

However, commenters also noted that there remains a critical need to make additional changes to ensure the future of the program. In particular, commenters recommend that CMS:

- Finalize, with modification, blending ACO historical and regional cost data into ACO benchmarks;
- Provide ACOs with maximum flexibility and choices related to transitioning to benchmarks that comprise a component of regional cost data;
- Focus on comparing ACO performance relative to FFS Medicare by excluding ACO-assigned beneficiaries (for all ACOs in the region) from the regional beneficiary population;
- Honor the current policy that accounts for savings in rebased benchmarks, rather than punish ACOs that worked hard to earn savings in previous agreements; and
- Modify and enhance the proposal to reopen ACO determinations to include greater opportunities for ACOs, especially when CMS errors are the cause, and shorten the timeframe from four to two years.

“Our recommendations reflect our unified expectation and 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,” wrote the comment letter signers. “Given our analyses show ACOs on average spend three percent less than comparable fee-for-service expenditures, it should remain a priority of the Secretary to refine the model in ways that will promote further program growth.”

Separately, although not addressed in the proposed rule, the commenters also state in their letter that as CMS heads into rulemaking for the Medicare Access and CHIP Reauthorization Act (MACRA), the agency should designate all MSSP ACOs as qualifying alternative payment models (APMs) under MACRA. This would allow physicians participating in all MSSP ACOs to
qualify for MACRA APM incentive payments, provided they meet the threshold levels of revenue or patient participation required by the law.

Organizations submitting the joint comments include:
American Academy of Allergy, Asthma & Immunology
American Academy of Dermatology Association
American Academy of Home Care Medicine
American Academy of Neurology
American Academy of Physical Medicine and Rehabilitation
American College of Cardiology
American College of Physicians
American College of Surgeons
American Geriatrics Society
American Medical Association
AMGA
American Psychiatric Association
American Society for Clinical Pathology
American Society of Cataract and Refractive Surgery
American Society of Nephrology
Association of American Medical Colleges
Endocrine Society
Medical Group Management Association
National Association of ACOs
Premier healthcare alliance
Society of General Internal Medicine
Society for Cardiovascular Angiography and Interventions

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