



PRESS RELEASE

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Source: National Association of ACOs

Headline: National Association of ACOs Comments on Medicare First Year ACO Results

The National Association of ACOs is pleased that the hard work of delivering accountable care has produced significant savings for the Medicare trust fund and Medicare patients as announced today by CMS. The 29 ACOs should be congratulated for their success. Most importantly, the Medicare beneficiary has received improved care, the taxpayer has saved money and the overall system is responding to need to improve health and reduce costs. In the aggregate, the Medicare ACO efforts are off to a good start. Hundreds of organizations, thousands of doctors and other healthcare providers have stepped up to the challenge of doing better for the Medicare beneficiary and the taxpayer.

The ACO program was developed with strong bi-partisan participation and is envisioned by political and healthcare leaders as the single biggest opportunity to improve care while simultaneously lowering cost. However, NAACOS believes there is much room for improvement and is committed to working with CMS and the Congress to help improve the program. We are especially concerned that 25 ACOs contributed to the program savings but the government rules did not allow them to share in the savings Medicare received. Our research shows that the 114 ACOs invested over \$400 million up to this point in building and operating accountable care organizations in their communities. Many will receive no return on that investment this year and will struggle to stay in the program. We understand the ACO program is in its infancy and redesigning healthcare in communities is a long-term commitment that we intend to continue supporting, however we believe a number of the program parameters need to be adjusted. We hope to work with CMS and the Congress in:

- Changing the way patients are attributed to the ACO and bring stability to the population the ACO is serving,
- Improving the formula for setting the benchmarks and how savings are determined,
- Account for the fact that in some communities the costs of care are well below the national average, and for them, it is even more difficult to achieve savings,
- Increasing the clinical and claims data ACOs receive to improve care,

- Recognize that quality of care varies from community to community and while achieving a uniform high standard of care is the goal, in the interim, allow for regional differences and allow ACOs to receive savings if their overall quality of care is improved.

Clif Gaus, CEO, commented, “our organization believes ACOs are still the most promising solution to improving quality and lowering healthcare costs for Medicare patients and hopes to work with CMS to make adjustments to the program so that more ACOs can financially survive and grow in number.”