

COVID-19 and ACOs Fact Sheet

In response to receiving a number of questions related to the COVID-19 pandemic, NAACOS has developed this fact sheet reviewing information on how ACOs may be affected by the spread of this virus.

How might ACOs be affected by the COVID-19 pandemic?

ACOs may see strains on the health system as patients present with COVID-19, particularly those ACOs located in areas with rapid community spread of the disease. This could result in patients avoiding routine care, making it harder to manage the patient's current health problems, as well as increased spending in utilization and care for those patients presenting with COVID-19.

Will the emergency funding bill passed by Congress assist ACOs financially?

President Trump signed an [emergency appropriations package](#) that provides \$7.76 billion to federal, state, and local agencies to combat the coronavirus. This authorizes the Secretary of Health and Human Services (HHS) to waive certain Medicare telehealth restrictions during the coronavirus public health emergency. On March 17, CMS granted providers additional telehealth flexibility. This CMS [fact sheet](#) and frequently asked questions [document](#) provide more information for ACOs and providers. NAACOS is advocating for swift action by CMS and Congress to support ACOs in this pandemic. More information on CMS's communications relating to this legislation and the agency's work as a result is available [here](#).

How will CMS help MSSP ACOs strained by the COVID-19 pandemic?

Currently, the Medicare Shared Savings Program (MSSP) has an extreme and uncontrollable circumstances policy in place that aims to provide support to ACOs affected by natural disasters and other uncontrollable circumstances. Under this policy, CMS will mitigate the amount of shared losses an ACO must pay back to CMS should it be affected by an extreme and uncontrollable circumstance by an amount determined by multiplying: (1) the percentage of the total months in the performance year affected by an extreme and uncontrollable circumstance and (2) the percentage of the ACO's assigned beneficiaries who reside in an area affected by an extreme and uncontrollable circumstance.

If an ACO is unable to report quality due to the extreme and uncontrollable circumstance, the ACO's quality score will be set to the mean quality performance score for all MSSP ACOs for the applicable performance year. However, if the ACO is able to completely and accurately report all quality measures, CMS will use the higher of the ACO's quality performance score or the mean quality performance score for all MSSP ACOs.

MSSP extreme and uncontrollable circumstances policies apply when CMS determines an event qualifies as an automatic triggering event under the Quality Payment Program (QPP). CMS uses QPP determinations of [extreme and uncontrollable circumstances](#) and identifies the affected geographic areas and applicable time periods.

Current policy does NOT make adjustments to the benchmark or expenditures for higher than typical spending associated with such events. NAACOS is advocating for CMS to use its authority to make adjustments to the benchmark/expenditures to ensure ACOs are not held accountable for a public health crisis of this magnitude.

How will the Center for Medicare and Medicaid Innovation (CMMI) help Next Generation Model ACOs strained by the COVID-19 pandemic?

The Next Generation Model (NGACO) participation agreement states the following: *CMS may at CMS's sole discretion, retroactively modify the projected trend used in calculating the Performance Year Benchmark if CMS determines that exogenous factors, such as a natural disaster, epidemiological event, legislative change and/or other similarly unforeseen circumstance during the Performance Year, renders the projected trend invalid for assessing the expected level of spending between the Base Year and Performance Year in the population of NGACO reference beneficiaries.*

NAACOS is advocating for CMMI to make such adjustments given the widespread impact of COVID-19, an epidemiological event.

What will happen if my ACO is unable to report quality or MIPS data by the deadline due to shifting priorities and staff on quarantine/isolation?

As a result of NAACOS advocacy, CMS [announced](#) ACOs now have until April 30, 2020 to report 2019 quality data. Previously, ACOs were required to submit this data by March 31, 2020. Additionally, CMS has extended the Merit-Based Incentive Payment System (MIPS) reporting deadline to April 30 and those that do not submit any MIPS data by this time will qualify for the automatic extreme and uncontrollable circumstances policy and will receive a neutral payment adjustment for the 2021 MIPS payment year. This announcement comes after NAACOS and nine other healthcare organizations submitted a NAACOS-led [letter](#) to CMS requesting a delay of the upcoming deadline for 2019 reporting. NAACOS also asked for relief around participation in and data reporting options for 2020, and in this new announcement CMS noted they are evaluating options for providing relief around participation and data submission for 2020. NAACOS will keep members updated of any further changes as we continue our advocacy efforts to provide ACOs with relief from regulatory requirements due to COVID-19.

Additionally, the MSSP extreme and uncontrollable circumstances policy does have a provision that will assist ACOs who are unable to report quality in a qualifying event. In these cases, the ACO's quality score will be set to the mean quality performance score for all MSSP ACOs for the applicable performance year. However, if the ACO is able to completely and accurately report all quality measures, CMS will use the higher of the ACO's quality performance score or the mean quality performance score for all MSSP ACOs.

Will CMS/CMMI extend the 2021 MSSP/Direct Contracting application deadlines?

At this time neither CMS nor CMMI have reported deadline extensions for ACOs applying for the MSSP or Direct Contracting Model, however NAACOS is advocating for both CMS and CMMI to extend these deadlines given the widespread impact of COVID-19. ACOs will need this additional time so that resources are not diverted at this critical time.

Has CMS expanded the use of the SNF 3-day payment rule waiver as a result of COVID-19?

As part of the emergency declaration issued on March 13, CMS is waiving Medicare's requirement that patients have a 3-day inpatient hospitalization prior to admission to a skilled nursing facility (SNF). This effectively makes the SNF 3-day waiver available to all Medicare providers and not just to ACOs who have applied for the waiver. Additionally, CMS is allowing SNF coverage for beneficiaries who have exhausted their SNF benefits, meaning these patients don't have to wait for a new benefit year.

Has CMS expanded the use of telehealth waiver as a result of COVID-19?

CMS issued a list of [frequently asked questions](#), outlining what services are covered, what providers are eligible for the expanded telehealth opportunities and how to bill for these

services. Importantly, CMS says it won't enforce a requirement under the March 6 law that states patients must have seen a provider (as identified by their TIN) within the last three years. CMS also states telehealth can be preformed on all patients, not just those with COVID-19. In a separate notice, the HHS Inspector General said it will allow healthcare providers [to reduce or waive](#) beneficiary cost-sharing for telehealth visits paid for by Federal health care programs. The OIG has also released a [fact sheet](#) providing more information on this change.

CMS also updated its [fact sheet](#) on various ways to use technology to treat patients, including through the use of "Virtual Check-Ins," which are short patient-initiated communications with a healthcare practitioner, and "E-visits," which are non-face-to-face patient-initiated communications through an online patient portal.

Who can I contact to share more information on how COVID-19 is affecting my ACO?

To share more information regarding how COVID-19 is affecting your ACO, please email us at advocacy@naacos.com.

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