

November 19, 2020

The Honorable Mitch McConnell
Majority Leader
United States Senate
United States Capitol Building S-230
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
United States Capitol Building H-232
Washington, DC 20515

The Honorable Charles E. Schumer
Minority Leader
U.S. Senate
United States Capitol Building S-255
Washington, DC 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
United States Capitol Building H-204
Washington, DC 20515

Dear Senate Majority Leader McConnell, Speaker Pelosi, Senate Minority Leader Schumer, and House Minority Leader McCarthy:

On behalf of the undersigned organizations, we appreciate your leadership and actions that Congress has taken to ensure providers are able to combat the COVID-19 virus and respond to the public health emergency. The pandemic has highlighted the need to continue the transition to value-based care that promotes care coordination across the traditional healthcare silos. Providers operating in alternative payment models (APMs) are aptly equipped to respond to the pandemic by leveraging existing community relationships and aligned networks of providers across the continuum to develop comprehensive approaches to maintain the health of the community and treat patients with COVID-19. Additionally, providers in APMs rapidly expanded existing capabilities, such as care management, call centers, remote monitoring and telehealth, to meet the shifting care needs resulting from COVID-19. The response of providers across the country to the COVID-19 pandemic has resulted in significant financial challenges for many. If we had made more progress in value-based care APMs prior to COVID-19, including risk-based and capitated arrangements, many providers could have avoided the financial challenges they faced.

We urge Congress to continue to support the movement to value by ensuring that clinicians in advanced APMs continue to receive incentives established under the bipartisan Medicare Access and CHIP Reauthorization Act of 2015 (MACRA).

The incentive payments established under MACRA have served as an important tool for attracting clinicians to leave traditional fee-for-service and adopt risk-based models that are focused on lowering costs and improving quality. Clinicians receive a 5 percent bonus on Part B payments if they meet certain thresholds of payment or patients through an advanced APM. Currently, to qualify for the bonus clinicians must have 50 percent of payments or 35 percent of patients in the advanced APM. In 2021, the threshold rises to 75 percent of payments or 50 percent of patients.

The patient and payment thresholds were set to increase over time to incent clinicians to continually expand the populations and services within the APM. As we enter the fifth year of incenting clinicians to move to APMs, we now understand that the original thresholds set in MACRA are too high. A recent [CMS report](#) highlights that if these thresholds remain in place, a majority of clinicians will not qualify for this bonus moving forward. On average, the percent of payments through the APM for the Medicare

Shared Savings Program was 48 percent in 2018. Moreover, the COVID-19 pandemic has made it more challenging to achieve the thresholds.

Advanced APMs have proven to generate savings to Medicare and in the absence of these bonuses, we believe many clinicians will exit from APMs and revert to fee-for-service. This would be a significant detriment to moving our nation's health care system to one that pays based on quality and value.

We ask that you support legislation that would freeze the thresholds at the current rate, 50 percent payments or 35 percent patients, for the 2021 and 2022 performance years. This would ensure clinicians currently participating in risk-bearing APMs will continue to receive bonus payments and encourage other clinicians to join advanced APMs.

We thank you for your continued leadership in supporting the movement to value-based care.

Sincerely,

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American Academy of Family Physicians
American College of Physicians
American Hospital Association
American Medical Association
American Medical Group Association
American Society for Radiation Oncology
America's Essential Hospitals
America's Physician Groups
Association of American Medical Colleges
Caravan Health
Evolent Health
Federation of American Hospitals
Health Care Transformation Task Force
Medical Group Management Association
National Association of ACOs
Next Gen ACO Coalition
Premier healthcare alliance
Renal Physicians Association