

Congress of the United States

Washington, DC 20510

May 20, 2021

The Honorable Xavier Becerra
Secretary
US Department of Health and Human Services
200 Independence Ave SW
Washington, DC 20201

Re: Extending the Next Generation Accountable Care Organization Model

Dear Secretary Becerra:

We are looking forward to working with you to advance the shared goals of a health care system that provides affordable access to high quality care for all Americans. One critical part of achieving this shared vision is advancing value-based care models. These approaches bring physicians, hospitals, and care providers across the continuum together to advance better care at a lower cost.

Our commitment to this vision is why we are urging the Department of Health and Human Services to extend the Next Generation Accountable Care Organization (NGACO) model for one year. Over the past several years, Medicare ACO models have demonstrated success in lowering Medicare spending and improving quality for beneficiaries. Next Gen ACOs, in particular, have invested in data analytic capabilities to manage patient populations, engage beneficiaries in care management and provide annual wellness visits, engage physicians and other providers using incentives, and collaborate with skilled nursing facilities for improved delivery of post-acute care and lower spending.¹ Up to this point, the NGACO model has been the most advanced two-sided risk model in traditional Medicare meaning participants are held accountable for patient outcomes and costs.

Next Generation ACOs have emphasized preventive services and deployed care coordination practices to deliver better care to patients. Next Gens have also focused efforts on primary care, achieving a 16 percent increase in the use of annual wellness visits from the second year of the model to the third. When the COVID-19 pandemic struck, Next Gens were able to deploy their care coordination and population health infrastructure to continue to provide care in their communities and ensure that the most vulnerable patients have access to healthcare services, via telehealth, home visits, and other innovative care management strategies.

Ending the Next Generation ACO model this year could leave participants without adequate alternatives to turn to and disrupt the transition to value-based care. Direct Contracting was previously offered to Next Gen ACOs as a possible mechanism to continue their risk journey. However, with the decision to delay the direct contracting model a year, ending the NGACO model without a similar total cost of care model will cause significant disruptions to providers and patients by requiring changes to the systems that participants have put in place under this model. If the model ends this year, Next Gens will be faced with the choice of exiting the program or moving to MSSP Enhanced. While MSSP Enhanced may be attractive for some, it does not meet the needs of all Next Gens because it is a lower risk model with fewer flexibilities to innovate care delivery. In addition, the move from Next Gen to MSSP could cause significant disruption to existing physician-ACO relationships and patient-ACO relationships due to differences in model design.

Next Gens have achieved admirable savings against their benchmarks.² The fourth partial dataset CMS released shows savings of over \$558 million in 2019. Thirty-five of 37 Next Gen ACOs qualified for shared savings payments. Next Gens have demonstrated savings to Medicare and the lessons learned from this model should be carried forward. A one-year extension will allow CMS to further assess and understand the model.

¹ <https://innovation.cms.gov/data-and-reports/2020/nextgenaco-thirdevalrpt-ataglance>

² <https://innovation.cms.gov/media/document/nextgenaco-py4finalresults>

Providers across the country have been on the value-based care journey for more than a decade. Along the way, they have made significant investments to improve patient care and set Medicare and Medicaid on a more sustainable financial future. We look forward to working with you to continue to advance these efforts.

Sincerely,



Rep. Ron Kind
Member of Congress



Ami Bera, M.D.
Member of Congress



Suzan DelBene
Member of Congress



Darin LaHood
Member of Congress



Mike Kelly
Member of Congress



Brad Wenstrup, D.P.M.
Member of Congress

cc: Elizabeth Fowler, Deputy Administrator and Director, Center for Medicare and Medicaid Innovation