

ADVOCACY PRIORITIES

Launch of the Third Option – Decades of experience show that coordinated care holds the promise of high quality, low cost healthcare delivery for patients. Currently, Medicare beneficiaries are presented with two choices for Medicare participation: traditional Medicare and Medicare Advantage (MA). Neither existing model is perfectly designed to achieve the high quality, low cost healthcare our seniors deserve, and our nation's fiscal situation requires. There is an emerging consensus that additional, innovative models are necessary to improve the current delivery system to better control healthcare spending and improve care for America's Medicare beneficiaries.

Consistent with this, APG believes that another option is needed. Thus, we developed a new model that builds on the best aspects of both traditional Medicare and MA called the "Third Option" which is based on our extensive experience with capitated, coordinated care. The Third Option represents the next evolution of delivery models and addresses the flaws of existing models by incorporating sensible elements already proven to be successful in other contexts.

Strengthen and Protect MACRA – The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) is central to the goal of moving away from our current fee-for-service reimbursement system toward a system that reimburses clinicians based on quality, efficiency, and patient outcomes. APG is calling for timely MACRA implementation, with greater access to participation in both the Merit-based Incentive Payment System (MIPS) and Advanced Alternative Payment Models (APMs) for a wide variety of clinicians at various stages of the transformation journey.

Central to this goal is:

- The expansion of additional Advanced APMs including APG's Third Option
- Improved participation in MIPS by lowering the low volume threshold
- Increased integration of MA and Medicaid into MACRA beyond the "other payer" option
- Partnerships between CMS, Congress, and healthcare stakeholders to improve quality metrics and data sharing in current value-based models including the Medicare Shared Savings Program (MSSP)

Improve Value Incentives in MA – Our members recognize the importance of the care coordination tools MA provides both clinicians and patients. MA offers an important avenue for physicians to better address social detriments of health and unique behavioral and mental health needs, and data shows that these plans consistently deliver higher quality care at lower costs.

However, APG recognizes that not all MA plans are equal. In that vein, APG is committed to working with Congress and the Administration to implement carrots and sticks to reward providers and plans who engage in high-value MA risk contracts that improve quality in the MA program overall. Currently, only 14 percent of all MA contracts with providers are based on a two-sided risk arrangement and qualify as an Advanced APM under MACRA. Congress, CMS, and stakeholders must work together to put in place incentives that further drive the value evolution in MA just as they are working to do in traditional Medicare.