

AMERICA'S PHYSICIAN GROUPS

2022 ADVOCACY PRIORITIES

Accelerating the Movement to Value

Value-based models of care emphasize the delivery, measurement, and health outcomes as opposed to the current fee-for-service model that focuses on volume of services at the expense of cost. Innovative healthcare providers are successfully delivering improved patient care at lower costs through budget-based prospective payment models such as the Direct Contracting program which enables physicians to provide care centered around attaining better outcomes for patients in an efficient, coordinated manner. Continue to develop models that will empower providers into transitioning into performance-based risk contracting while assisting patients to understand benefit in a care coordinated model.

- Develop educational materials to help beneficiaries understand benefit of value-based care
- Continue support for the Direct Contracting pilot program
- Account for quality of care, increase the amount of risk taken on by providers and organizations, and increase the number of patients receiving coverage in the most responsible and feasible way possible.
- Ensure the creation of strong incentives for the improvement of the healthcare delivery system
- Continue to move toward value-based care with a prospective payment model
- Create strong incentives that will encourage health plans to also support prospective payment models
- Maintain the partnership between plans and providers in supporting the move to value-based care

Strengthening Medicare Advantage to Drive Better Value

An integral part of the move from volume to value is supporting Medicare Advantage (MA) and the role it plays in shifting healthcare in this direction. Providers and health plans who engage in high-value, risk-based MA contracts are working diligently to improve overall quality in the MA program and should be rewarded for those efforts. One area in which MA must be expanded is addressing social determinants of health (SDOH). SDOH are socioeconomic risk factors that affect access to care and put

beneficiaries at risk for poorer health outcomes. Making changes to risk adjustment and Stars quality performance measures within MA to include the assessment of social risk factors for MA beneficiaries will ensure that SDOH are better accounted for within the program. MA and its providers are the cornerstone of where our system has been trending for the past decade, which is reflected in the recent expansion of telehealth services as physicians respond to the COVID-19 pandemic.

- Modify risk adjustment and Star Ratings in the MA program to better address social determinants of health
- Congress, federal agencies, 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 so in traditional Medicare
- Incentives should offer both positive and negative reinforcement that will motivate MA plans to push budget-based prospective payment downstream to the physician group level
- Continue to support innovative providers amidst the public health emergency

Strengthening Alternative Payment Models

Continuing support for alternative payment models (APM) and ensuring that physicians can continue their participation while generating savings for Medicare is a key piece of the value-based care movement. The Medicare Access and CHIP Reauthorization Act (MACRA) established a 5 percent bonus payment for providers participating in an Advanced APM, which is soon set to expire. Once it does, participating physicians will only receive a 0.75 percent bump in Medicare Part B payments. These bonus payments provide the revenue necessary for participants in these programs to have access to the necessary resources needed to transform their practices into value-based payment models. It is also important that actions are taken to build upon the learnings from earlier ACO models by introducing new concepts (e.g., capitation and unique benchmarking) that represent a gradual, evolutionary path toward supporting physicians in managing populations and accepting risk.

- Pass legislation extending the 5 percent bonus for physicians participating in Advanced APMs
- Continue developing new models that will use capitation and new benchmarking methodology
- Continue to assess Pathways to Success within APMs as well as revisions to strengthen them