

Congress Needs to Act to Support Value-Based Patient Care

Accountable care enables physicians and other health care providers to deliver high-quality, well-coordinated, cost-effective care. These payment reforms have [generated more than \\$28 billion in gross savings for Medicare](#) over the past decade and improve the quality of care for millions of patients. Ongoing support is needed to help physicians, hospitals, and other health care providers transition towards, remain in, and succeed in value-based payment models.

The Advanced Alternative Payment Model (AAPM) incentive payments provision of the Medicare Access and CHIP Reauthorization Act (MACRA) of 2015 helps physicians, hospitals, and other health care providers cover the investment costs of moving to new payment models, provide financial resources to expand care teams and coordinate care, enable adoption of population health infrastructure, and aide clinicians in providing services beyond those covered by traditional Medicare.

AAPMs are approaching a pivotal transition in 2025. The opportunity to earn AAPM incentive payments expired and AAPM qualifying thresholds increased dramatically (from 50 to 75 percent of payments and from 35 to 50 percent of patients) at the end of the 2024 Performance Year. The large increase in qualifying thresholds creates more uncertainty for practices as it makes it more difficult for clinicians to qualify for AAPM payment updates and reporting exemptions from the Merit-based Incentive Payment System (MIPS). Practices will face reduced financial capacity to manage complex patients and innovate, unless Congress extends these incentives, lowers the qualifying thresholds, and addresses inadequate Medicare payment updates. To sustain the momentum toward value-based care, stakeholders are urging lawmakers to take action by:

Extending Financial Incentives to Join AAPMs and Restoring Previous Qualifying Thresholds—MACRA's AAPM incentive has helped more than 500,000 clinicians develop the necessary infrastructure to transition into payment models that take on financial risk for their populations. Extending the incentives and maintaining the 2024 qualifying thresholds for Performance Year 2025 will help sustain and grow participation in value-based payment models. It will also help expand the reach of AAPMs to new patient populations, including rural and underserved communities as new APMs are hopefully developed to fill current gaps. **[The Preserving Patient Access to Accountable Care Act \(H.R. 786\)](#), is a bipartisan bill that extends the AAPM incentive for one year at 3.53 percent and maintains 2024 qualifying thresholds.**

Ensuring Adequate Medicare Payments—Medicare's existing payment system has resulted in payment cuts to physicians and other health care providers over the past five years that are exacerbated by steep rises in costs. When Medicare's payment updates do not adequately account for inflationary pressures, it is difficult for physicians, hospitals, and other health care providers to have the resources to transition to and succeed in APMs. To ensure that patients continue to have adequate access to care, lawmakers must provide adequate payment updates for 2025 and beyond. **[The Medicare Patient Access and Practice Stabilization Act \(H.R. 879\)](#), is a bipartisan bill that stops Medicare's physician payment cuts that took effect Jan. 1, 2025, and provides physicians with a two percent payment update for the remainder of 2025.**