

News Release  
March 22, 2020



**NAACOS Asks HHS Secretary Xavier Becerra to Grow Medicare ACO Programs**  
*Letter Recommends National Goal to Have a Majority  
of Traditional Medicare Beneficiaries in an ACO by 2025*

**WASHINGTON** – The National Association of Accountable Care Organizations (NAACOS) in [a letter](#) sent today congratulated Xavier Becerra, Secretary of the Department of Health and Human Services (HHS), on his confirmation and recommends the following to help support ACOs and payment and delivery reform:

- Set a national goal to have a majority of traditional Medicare beneficiaries in an ACO by 2025;
- Strengthen incentives to attract new ACOs and retain existing ones by increasing shared savings rates, fixing key benchmarking and risk adjustment issues, allowing more time before requiring risk, and revisiting recently finalized quality policies;
- Improve the Professional and Global Options of Direct Contracting to provide a fair opportunity for legacy ACOs and providers;
- Make the Next Generation ACO Model permanent; and
- Adapt ACO and alternative payment model methodologies to account for COVID-19 anomalies.

Statement attributed to Clif Gaus, Sc.D, President and CEO of the National Association of ACOs:

“Secretary Becerra inherits an HHS with fewer ACOs than the Obama administration left at the start of 2017. Reversing this trend should be a priority for him and his staff given the success ACOs have shown in reducing Medicare spending while improving quality and patient satisfaction.

“Since 2012, ACOs, including those in the Medicare Shared Savings Program, Next Generation ACO Model, and the now expired Pioneer ACO Model, [have lowered Medicare spending](#) by \$8.5 billion and \$2.5 billion after accounting for shared saving and loss payments and discounts to CMS. This doesn’t include ‘spillover’ effects to Medicare Advantage or commercial insurance, which also measure in the billions of dollars annually. When compounded, these savings make an undeniable impression on our nation’s out-of-control health spending.

“NAACOS congratulates Secretary Becerra on his confirmation and looks forward to working with him on growing Medicare ACO programs.”

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**Contact:**

David Pittman  
NAACOS Senior Policy Advisor  
202-640-2689 or [dpittman@naacos.com](mailto:dpittman@naacos.com)

**About NAACOS.** The National Association of ACOs (NAACOS) represents more than 12 million beneficiary lives through hundreds of organizations participating in population health-focused payment and delivery models in Medicare, Medicaid, and commercial insurance. Models include the Medicare Shared Savings Program (MSSP), Next Generation ACOs, and alternative payment models supported by a myriad of commercial health plans and Medicare Advantage. NAACOS is a member-led and member-owned nonprofit organization that works to improve quality of care, outcomes, and healthcare cost efficiency.