

Federal policymakers should consider ways to make the Medicare Advanced Alternative Payment Model (APM) program more viable, including passing H.R. 4587, the Value in Health Care (VALUE) Act. When Congress passed the Medicare Access and CHIP Reauthorization Act (MACRA) in 2015, it included 5% bonus payments to incentivize participation in APMs to deliver high-quality care while generating savings for the Medicare program. Unfortunately, to date, the development and availability of APMs for physicians to participate in has been extremely limited. The physician community is committed to continuing to work with the U.S. Department of Health and Human Services to expand the availability of value-based APMs and remove barriers to participation. Congress can help this process by passing the bipartisan VALUE Act, which would extend the 5% APM incentive payment program for six years (through the 2030 payment year) and make further improvements to encourage increased physician participation as opportunities become available.

Expiring in 2022 - MACRA's 5% Payment Incentive for Advanced APMs

It is important to note that there is a two-year lag between performance and payment years. Currently, Advanced APMs can only earn the 5% payment incentive **through the end of 2022**, after which time there will be a gap year between the expiration of the bonus payments and the restart of modest annual payment updates, leaving less incentive for providers to participate in an Advanced APM in 2023.

Expiring in 2022 - Qualifying APM Participant (QP) Thresholds

Physicians participating in Advanced APMs must take on risk for the APM's quality and cost results, use Certified Electronic Health Record Technology, and be evaluated on multiple quality measures. Only Advanced APM participants who meet the "QP threshold" will receive the 5% Medicare payment incentive. To qualify, an Advanced APM must receive either 50% of their payments or have 35% of their patients affiliated with the APM. This payment threshold is **set to increase from 50% to 75% at the end of 2022**, which will make it more difficult for physicians to qualify for positive payment updates in the coming years. In fact, this will make participation in risk based Advanced APMs impossible for many physicians.

The AMA is calling on Congress to prevent a scheduled 5% payment cut for Advanced Alternative Payment Models and the corresponding revenue threshold jump at the end of 2022 by passing H.R. 4587, the Value in Health Care Act. Absent Congressional intervention, the future sustainability of APMs is in jeopardy.