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STATEMENT

NAPH Supports Changes to Final Rule for Accountable Care Organizations

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Washington, D.C. – The National Association of Public Hospitals and Health Systems (NAPH) applauds the Centers for Medicare & Medicaid Services (CMS) for making positive changes to its final rule – released today – for accountable care organizations (ACOs) under the Medicare Shared Savings Program. By listening and responding to provider concerns, the administration has taken positive steps toward developing a program that will provide more integrated care to patients in a framework feasible for providers.

NAPH is particularly pleased that CMS has acknowledged the importance of critical supplemental payments to safety net hospitals by excluding these payments from the calculations of ACOs' expenditures, and thereby assuring that ACOs with safety net hospitals will not be unfairly penalized in the cost calculations. We also support the following key modifications made in the final rule: the inclusion of a risk-free option for ACOs in addition to the higher risk/higher reward option; a decrease in the number of quality measures; preliminary prospective assignment of beneficiaries each quarter with reconciliation at year's end and the scaling back of requirements for the use of electronic health records.

These changes will allow hospitals and other providers to more easily participate in the program, and should add to the success of this initiative and future innovations in health care delivery system reform. NAPH looks forward to working with CMS on additional integrated care delivery system models, such as those tailored to the Medicaid, pediatric and low-income populations.

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About the National Association of Public Hospitals and Health Systems (NAPH)
NAPH represents the nation's largest metropolitan hospitals and health systems that fulfill a safety net mission of providing high volumes of care to low income individuals. These facilities provide high quality health services for all patients, including the uninsured and underinsured, regardless of ability to pay. In addition to functioning as the country's default national health insurance system, public hospitals provide many essential community-wide services, such as primary care, trauma care, and neonatal intensive care. Public hospitals also train many of America's doctors, nurses, and other health care providers. Since its inception in 1980, NAPH has cultivated a strong presence on Capitol Hill, with the executive branch, and in many state capitols. NAPH advocates on behalf of its members on such issues as Medicaid, Medicare and access to health care services for vulnerable populations. For more information, visit our website at <http://www.naph.org/>.