



Tillis, Colleagues Introduce Bipartisan Legislation to Incentivize Better Health Care at Lower Costs

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WASHINGTON, D.C. – Senator Thom Tillis and his colleagues recently introduced the *Value in Health Care Act*, bipartisan legislation that would update the program parameters of Medicare’s Alternative Payment Models (APMs) to incentivize participation in Accountable Care Organizations (ACO). The changes would increase participation in these value-based health programs, which are designed to improve the quality of care and health outcomes for seniors while lowering costs.

“Value-based care programs have a successful track record of improving outcomes and reducing costs. The *Value in Health Care Act* will take an important step to further incentivize participation in these programs by financially rewarding coordination of care and patient outcomes, rather than the number of services provided,” **said Senator Tillis**. “I’m proud to join my colleagues in introducing this bipartisan legislation that will increase access to higher quality, lower cost, patient-centered care for the nearly two million seniors in North Carolina.”

Background:

The *Value in Health Care Act* would make the following changes to the APM and ACO parameters:

- Incentivize participation in Advanced APMs by extending the annual lump sum participation bonus for an additional two years.
- Correct arbitrary thresholds for Advanced APM qualification to better reflect the existing progress of the value-based movement and to encourage bringing more patients into this model of care.
- Establish guardrails for CMS to ensure that the process to set financial benchmarks is transparent and appropriately accounts for regional variations in spending to prevent arbitrary winners and losers.
- Remove barriers to ACO participation by eliminating arbitrary program distinctions so all participants are participating on a level playing field.
- Support fair and accurate benchmarks by modifying performance metrics so participants aren’t competing against their own successes in providing better care.
- Provide greater technical support to ACO participants to cover the significant startup costs associated with program participation.

"The North Carolina Medical Society applauds Senator Tillis' introduction of the *Value in Health Care Act* in the Senate," **said Dr. Eileen M. Raynor, President of the North Carolina Medical Society.** "Advancement of value-based care is a priority of the Medical Society and we are supportive of state and federal efforts that will expand participation in Alternate Payment Models among all physician specialties and help meet the needs of our state's Medicare patients."

"North Carolina's hospitals have been leaders in the value-based care for years," **said Steve Lawler, President and Chief Executive Officer of the North Carolina Healthcare Association.** "Value-based care is best designed and delivered by the healthcare community. When incentives are properly aligned, and patients get the right care at the right time it costs less, and all involved benefit. This bill takes a step forward. We are grateful to Senator Tillis for his leadership and support of innovative approaches that work for patients, families, and those who are charged with their care."

"Duke Connected Care applauds Senator Tillis' introduction of the *Value in Health Care Act* which includes incentives to continue the transformational work of improving health care for so many North Carolinians," **said Dr. Craig T. Albanese, Chief Executive Officer of Duke University Health System.** "Duke Connected Care has delivered high quality, coordinated care for Medicare beneficiaries in central North Carolina for a decade, and this legislation includes provisions that will allow it to continue to do so."

"Advocate Health, headquartered in Charlotte, NC, affiliated accountable care organizations generated \$128.2 million in savings in 2022 and have saved more than three quarters of a billion dollars to date," **said Dr. Gary Stuck, Chief Medical Officer, Advocate Health.** "We're grateful for the innovative programs such as MSSP that foster and encourage value-based care models and help push providers like us and the industry at large in that direction. We greatly appreciate Senators' Tillis, Whitehouse, Barrasso, Welch, Cassidy, Thune and Blackburn for introducing the *Value in Health Care Act*. This bipartisan legislation would make important reforms to maintain and further strengthen Medicare's movement towards high-quality care in which financial performance is linked to the quality of patient care rather than the number of services delivered."

The *Value in Health Care Act* is endorsed by the American Hospital Association, American Medical Association, Accountable for Health, American Academy of Family Physicians, American Academy of Orthopedic Surgeons, American College of Physicians, America's Essential Hospitals, America's Physician Groups, AMGA, Association of American Medical Colleges, Federation of American Hospitals, Healthcare Leadership Council, Health Care Transformation Task Force, Medical Group Management Association, National Association of ACOs, National Rural Health Association, and Premier Inc.

A section-by-section summary of the bill is available [HERE](#).

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