

May XX, 2025

The Honorable Dr. Mehmet Oz
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services

Dear Dr. Oz:

The undersigned organizations write to express our concern regarding the predictability and accuracy of benchmarking in the Medicare Shared Savings Program (MSSP).

We strongly urge the Centers for Medicare & Medicaid Services (CMS) to use its existing authority to reduce the weight of the Accountable Care Prospective Trend (ACPT) to zero for agreement periods beginning in 2024 and 2025.

If this pressing issue is not rectified, it will have long-term, negative consequences on the Shared Savings Program and primary care innovation. We have two significant concerns with how the ACPT has been implemented for ACOs in 2024:

First, despite the intention for this to be a *prospective* policy, ACOs were not given the 2024 ACPT until eleven months into the performance year. This effectively made the ACPT a retrospective adjustment that ACOs could not plan for or try to mitigate during the course of the performance year.

Second, the ACPT *significantly* underestimated Medicare cost growth. While the 2024 ACPT estimated Medicare cost growth to be 4.9%, actual growth was nearly double (8%).¹ This means that the ACPT will artificially and unfairly reduce ACO benchmarks by 1.03%,² which, for the average ACO, could reduce earned revenue for the average ACO by 25%. Significantly underfunding ACOs will force ACOs to reconsider their approaches for managing patients, reducing the burden of chronic illness, and providing patients with services that promote wellness but are not typically covered by Medicare.

CMS has the regulatory authority to reduce the weight of the ACPT in the event of unforeseen circumstances such as these. **We urge you to use that authority to pause ACPT implementation and work with stakeholders to improve MSSP benchmarking policy for future years.**

Thank you for your attention to this important issue.

Sincerely,

¹ Milliman (2025), "Predictability vs. accuracy in MSSP benchmarks."

² $(8.0 - 4.9\%) * \frac{1}{3} = 1.03\%$