



**CALIFORNIA
HOSPITAL
ASSOCIATION**

*Providing Leadership in
Health Policy and Advocacy*

January 31, 2019

John Pilotte
Director
Performance-Based Payment Policy Group
Centers for Medicare & Medicaid Services
7500 Security Boulevard
Baltimore, Maryland 21244

Sent via email: John.Pilotte@cms.hhs.gov

Dear Mr. Pilotte:

On behalf of our more than 400 member hospitals and health systems, the California Hospital Association (CHA) writes to urge the Centers for Medicare & Medicaid Services (CMS) to consider extending the deadline for accountable care organizations (ACOs) to apply for participation in the Medicare Shared Savings Program (MSSP), which begins July 1, 2019.

California hospitals report that, while they are interested in participating, they need more time to evaluate the significant program changes that were finalized on December 31, 2018. While we understand the time constraints under which CMS must operate so that it may begin the program on July 1, we are concerned that such a truncated timeline could harm program participation.

ACOs are not typically a single entity, but rather a network of different providers — including physician groups, hospitals and skilled-nursing facilities — affiliated under the ACO's legal umbrella. To be successful, ACOs need time to obtain buy-in from multiple participants, boards and leadership to determine new or continued participation. Further, the accelerated pathway to risk — finalized under new program requirements — necessitates additional scrutiny of the clinical and financial partnerships required to enhance care coordination, improve quality and reduce costs under the MSSP.

Additional time is needed to ensure ACOs can evaluate their options and complete the application's administrative and legal requirements. Without additional time, participation in this voluntary program will suffer. We urge the agency to extend the current application deadline of February 19 to March 29, 2019.

Thank you for your attention to this request. We look forward to continuing our work with you to improve the health care delivery system under innovative payment models.

Sincerely,

/s/

Alyssa Keefe
Vice President, Federal Regulatory Affairs