



## **H.R. 5347, the *Health Care Efficiency Through Flexibility Act*** **Reps. Buchanan (R-FL), Panetta (D-CA)**

### **Background:**

- Accountable Care Organizations (ACOs) are groups of providers participating in a value-based care initiative to **reduce spending and improve health care quality**.
  - In 2025, **476 ACOs** comprised of **655,725** medical providers delivering care to more than **11.2 million** Traditional Medicare beneficiaries.
  - Over **10,000** participant providers are at federally qualified health centers, rural health clinics, and critical access hospitals.
  - ACOs have saved Medicare more than **\$12 billion** over their 13-year history.
- To participate, ACOs must submit quality measure data to the Centers for Medicare & Medicaid Services (CMS) to inform their performance and shared savings awards – a time consuming and expensive process.
  - One health system reported spending over **\$5.6 million** on quality reporting in 2018, with over **\$600,000** paid to vendors and more than **100,000 hours of staff time**.
  - Some ACOs may use **more than 15 different electronic health record (EHR)** platforms with different levels of sophistication, leading to data challenges.
- Electronic data such as digital quality measures (dQMs) have the potential to be **95% less expensive** to report than traditional quality measures, potentially yielding up to **\$14 billion** in national health care savings.
- CMS has failed to commit to a stable framework of quality reporting or provide a comprehensive timeline for transitioning ACOs to dQMs. This **uncertainty is especially challenging for safety net or rural providers**.

### **The Health Care Efficiency Through Flexibility Act:**

- Ensures stability in quality measure reporting methods through 2030, **providing certainty and flexibility** for smaller provider practices with less sophisticated EHRs.
- Creates a **dQM pilot program** to prepare ACOs to modernize reporting and test best practices in quality measurement reporting.