



H.R. 5347, *Health Care Efficiency Through Flexibility Act*

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 2026, **511 ACOs** comprised of **687,739** medical providers delivering care to more than **12.6 million** Traditional Medicare beneficiaries.
 - Over **12,500** participant providers are at federally qualified health centers, rural health clinics, and critical access hospitals.
 - MSSP has saved Medicare more than **\$12 billion** over its 14-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.
 - The Centers for Medicare & Medicaid Services 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.

H.R. 5347, *Health Care Efficiency Through Flexibility Act*:

- Ensures stability in quality measure reporting methods through 2029, 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.

Endorsed By: National Association of ACOs, Accountable for Health, America's Physician Groups, Epic, Innovaccer, Oracle, Medisolv, American Academy of Family Physicians, Aledade.