

Accountable Care NEWS

ACOs Win Some, Lose Some in Final ‘Pathways’ Rules

The nation’s largest Accountable Care Organization association says it “appreciates CMS’s effort in the final rule to provide greater stability to the Medicare Shared Savings Program with five-year agreement periods and more flexibility through waivers for telehealth and skilled nursing facility stays.”

The Centers for Medicare & Medicaid Services has issued final rules that it says “redesign and set a new direction for” Medicare ACOs. The Pathways to Success program is designed to advance five goals, the government adds: accountability, competition, engagement, integrity and quality. Now, a CMS statement says, “most Medicare ACOs do not face financial consequences when costs increase” – but the new rules change that. The feds say having more ACOs take on “real risk” in exchange for “incentives and flexibility to coordinate care and innovate” is “an important step forward in how Medicare pays for value.”

Projected savings to Medicare total \$2.9 billion over 10 years. CMS promises that “impact on the overall market will be top of mind” when it structures payment arrangements. Here’s how regulators describe this one:

- **Accountability and competition.** The final rule reduces the time an ACO can remain in the program without taking accountability for healthcare spending from six years to two for new ACOs and three years for new “low-revenue” – meaning “physician-led” – ACOs. It “provides higher shared savings rates as ACOs accept greater levels of risk.”
- **Quality.** The rule “expands access to high-quality telehealth services.”
- **Beneficiary engagement.** It allows ACOs to “offer new incentive payments to beneficiaries for taking steps to achieve good health” – like obtaining primary care services and necessary follow-up care. The rule also requires ACOs to “provide beneficiaries with a written explanation in person or via email or patient portal of what it means to be in an ACO.”
- **Integrity.** The rule establishes “rigorous benchmarks” by incorporating factors from regional Medicare spending to establish an ACO’s benchmark during agreement periods. CMS says that “provides a more accurate point of comparison for evaluating performance.”

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ACO Stakeholders: ‘Experience Most Important Success Factor’

Our annual stakeholder survey on progress of and insights into Accountable Care Organizations finds pessimism about program expansion under the “Pathways” program and sees providers favoring leadership over experience when it comes to determining success.

MCOL and *Accountable Care News* jointly sponsored the 8th annual survey of ACO stakeholders on their involvement with and their insights into ACOs. Participants were asked to respond to these items:

[1] *Please indicate your perspective:* Provider (Hospital, Physician, Pharmaceutical, Other), Purchaser (Health Plan, Employer, TPA, Agent, PBM), Vendor or Other

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