



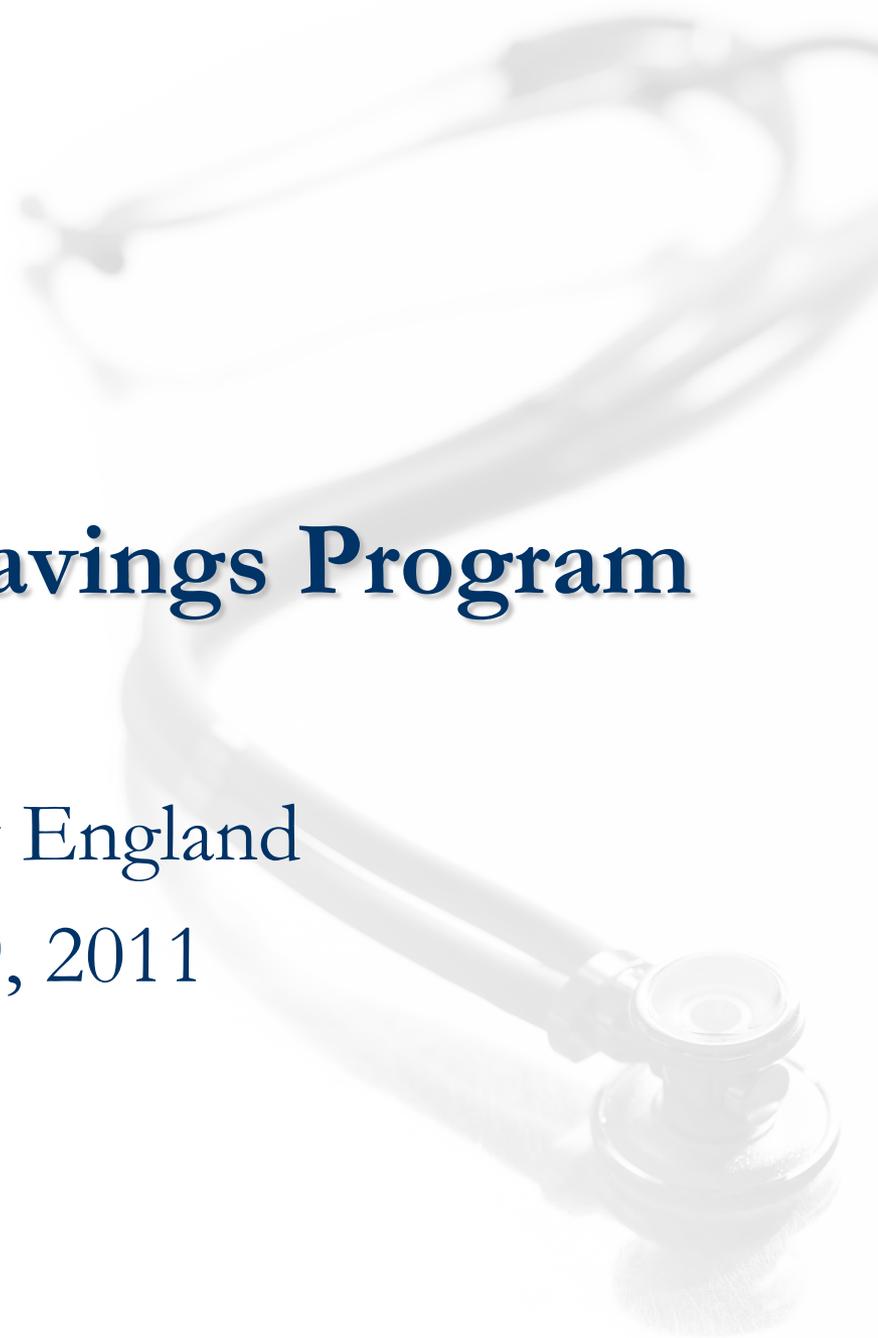
AMERICAN OSTEOPATHIC ASSOCIATION

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# Medicare Shared Savings Program

ROME New England

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# Overview

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# LEGISLATIVE & REGULATORY HISTORY





# Legislative History

- The Medicare Shared Savings Program was established by Section 3022 of the Affordable Care Act (P.L. 111-148).
  - The Medicare Shared Savings Program must begin by January 1, 2012.
  - The Patient Protection and Affordable Care Act was enacted into law on March 23, 2010.



# Regulatory History

- The Centers for Medicare & Medicaid Services (CMS) issued a Notice of Proposed Rulemaking (NPRM) on March 31, 2011.
  - Comments were due June 6, 2011
  - The final rule will be published in the fall of 2011
- The Department of Justice (DOJ), the Federal Trade Commission (FTC), and the Internal Revenue Service (IRS) issued proposed rules respectively on the antitrust, fraud and tax provisions.



# Regulatory History

- HHS released 3 additional ACO programs through the Center for Medicare and Medicaid Innovation (CMMI) on May 17
  1. Pioneer Model
  2. Advanced Payment Model
  3. Accelerated Learning Programs



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# MEDICARE SHARED SAVINGS PROGRAM



# Accountable Care Organizations (ACO)

- An Accountable Care Organization (ACO) encourages providers of services and suppliers to create a new type of health care entity, which the statute calls an “Accountable Care Organization (ACO),” that agrees to be held accountable for improving the health and experience of care for individuals and improving the health of populations while reducing the rate of growth in health care spending.

# Goals of the Shared Savings Program

- Triple Aim
  - Better care for individuals
  - Better health outcomes for populations
  - Lower per capita cost
- Promote accountability for a population of Medicare beneficiaries
- Improve the coordination of Medicare Fee-For-Service items and services
- Improve care transitions between providers and services
- Encourage investment in infrastructure and redesigned care processes for high quality and efficient service delivery
- Incent higher value care

# Who Can Be an ACO Eligible Entities

- ACO professionals in group practice arrangements
- Networks of individual practices of ACO professionals
- Partnerships or joint venture arrangements between hospitals and ACO professionals
- Hospitals employing ACO professionals
- Such other groups or providers of services and suppliers as the Secretary determines appropriate
- Critical Access Hospitals (CAHs)
  - Must bill under Method II payment model
- Federally Qualified Health Centers (FQHC) and Rural Health Clinics (RHC) can participate – if the ACO meets all other qualifications



# What is an ACO Professional?

- An ACO professional is a physician, which refers to a doctor of medicine or osteopathy, or a practitioner, which includes physician assistants, nurse practitioners, or clinical nurse specialists.
- The term hospital means a hospital paid under the hospital inpatient prospective payment system (PPS).



# Pioneer ACO Model

- The Pioneer ACO Model is designed for advanced delivery organizations ready to participate in shared savings.
- The Pioneer Model is an opportunity for organizations that have adopted significant care coordination processes to move further and faster into seamless, coordinated care by utilizing alternative payment mechanisms.
- It is projected to save Medicare up to \$430 million over three years.



# Advanced Payment Model

- The Advance Payment ACO Model, would give certain ACOs participating in the Medicare Shared Savings Program access to their shared savings up front, helping them make the infrastructure and staff investments crucial to successfully coordinating and improving care for patients.

# Accelerated Development Learning Sessions

- HHS will host 4 Accelerated Development Learning Sessions to teach providers interested in becoming ACOs what steps they can take to improve care delivery and how to develop an action plan for moving toward providing better coordinated care.



# AOA Policy on Integrated Delivery Models

- The AOA supports the establishment of new integrated delivery models like accountable care organizations (ACO) that will achieve the triple aim of better care for individuals, better health for populations, and lower per capita spending for Medicare beneficiaries.
- We are especially supportive of new delivery models that enhance and promote the role of primary care physicians as the foundation for the health care system and place emphasis on the promotion of coordinated care across the health care spectrum.



# Resources

- Centers for Medicare and Medicaid Services
  - [www.cms.hhs.gov](http://www.cms.hhs.gov)
- American Osteopathic Association
  - [www.osteopathic.org/aco](http://www.osteopathic.org/aco)
- Center for Medicare and Medicaid Innovation
  - [www.innovations.cms.gov](http://www.innovations.cms.gov)
- Medicare Payment Advisory Commission
  - [www.medpac.gov](http://www.medpac.gov)



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# QUESTIONS

