

Medicare ACO performance

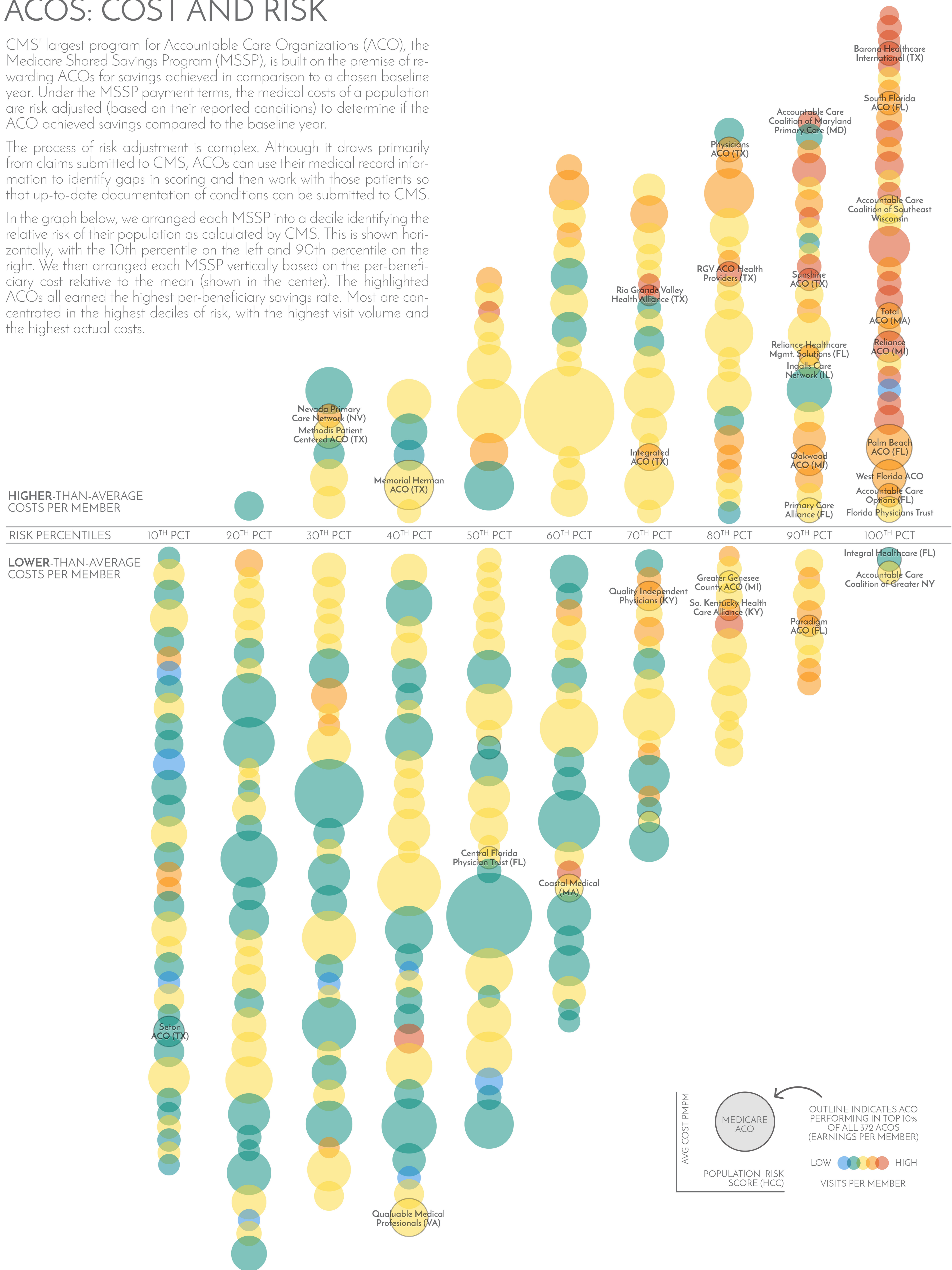
Risk, enrollment size, cost and savings for 372 ACOs

ACOS: COST AND RISK

CMS' largest program for Accountable Care Organizations (ACO), the Medicare Shared Savings Program (MSSP), is built on the premise of rewarding ACOs for savings achieved in comparison to a chosen baseline year. Under the MSSP payment terms, the medical costs of a population are risk adjusted (based on their reported conditions) to determine if the ACO achieved savings compared to the baseline year.

The process of risk adjustment is complex. Although it draws primarily from claims submitted to CMS, ACOs can use their medical record information to identify gaps in scoring and then work with those patients so that up-to-date documentation of conditions can be submitted to CMS.

In the graph below, we arranged each MSSP into a decile identifying the relative risk of their population as calculated by CMS. This is shown horizontally, with the 10th percentile on the left and 90th percentile on the right. We then arranged each MSSP vertically based on the per-beneficiary cost relative to the mean (shown in the center). The highlighted ACOs all earned the highest per-beneficiary savings rate. Most are concentrated in the highest deciles of risk, with the highest visit volume and the highest actual costs.



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