


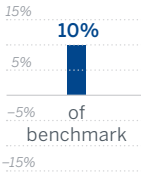







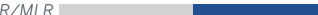

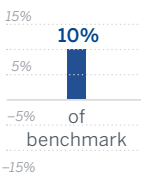









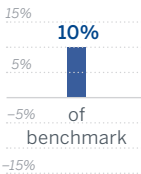





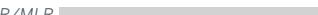



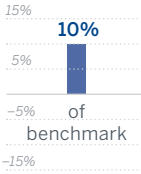









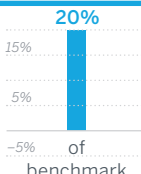





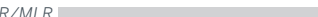

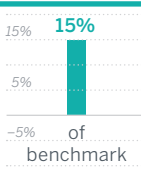





How the Medicare ACO Models Stack Up

CMS overhauled the Medicare Shared Savings Program in 2018 and created the “Pathways to Success” program. The program took effect in July 2019 and its main goal is to encourage ACOs to transition to downside risk models. Suppliers and service providers should understand these updates to gauge how much risk their provider customers could take on, think about how that might affect their purchasing decisions, and understand how to partner with them through the process.

			Downside Risk	Advanced APM ¹ Qualification	Sharing Rate	Shared Loss Rate	Min. Savings Rate (MSR) / Min. Loss Rate (MLR)	First Dollar Sharing?	Maximum Gain	Maximum Loss	Payments	Attribution ²	Waivers		
BASIC	Agreement Period 5 years <small>Low revenue ACOs allowed to renew for a second agreement period</small>	Minimum Population Size 5,000	Level A/B	X No	X No	 Up to 40% <small>Depending on quality performance</small>	N/A	MSR 2.0%–3.9% based on size of attributed population. No MLR. 	Yes, once MSR is met 	 10% of benchmark	N/A	 FFS  Reconciled shared savings	 Prospective or retrospective	X No	
			Level C	✓ Yes	X No	 Up to 50% <small>Depending on quality performance</small>	 30% fixed	Option One: No MSR/MLR MSR/MLR  Option Two: Symmetrical MSR/MLR in 0.5% increments, 0.5%–2.0% MSR/MLR  Option Three: Symmetrical 2.0%–3.9% based on size of attributed population MSR/MLR 	Yes, once MSR/MLR is met 	 10% of benchmark	of ACO revenue capped at 1% of benchmark –2%	 FFS  Reconciled shared savings and losses	 Prospective or retrospective	✓ Three-day SNF, telehealth <small>(Prospective assignment; starting in 2020)</small>	
			Level D	✓ Yes	X No	 Up to 50% <small>Depending on quality performance</small>	 30% fixed	Option One: No MSR/MLR MSR/MLR  Option Two: Symmetrical MSR/MLR in 0.5% increments, 0.5%–2.0% MSR/MLR  Option Three: Symmetrical 2.0%–3.9% based on size of attributed population MSR/MLR 	Yes, once MSR/MLR is met 	 10% of benchmark	of ACO revenue capped at 2% of benchmark –4%	 FFS  Reconciled shared savings and losses	 Prospective or retrospective	✓ Three-day SNF, telehealth <small>(Prospective assignment; starting in 2020)</small>	
			Level E	✓ Yes	✓ Yes	 Up to 50% <small>Depending on quality performance</small>	 30% fixed	Option One: No MSR/MLR MSR/MLR  Option Two: Symmetrical MSR/MLR in 0.5% increments, 0.5%–2.0% MSR/MLR  Option Three: Symmetrical 2.0%–3.9% based on size of attributed population MSR/MLR 	Yes, once MSR/MLR is met 	 10% of benchmark	of ACO revenue capped at 4% of benchmark ³ –8%	 FFS  Reconciled shared savings and losses	 Prospective or retrospective	✓ Three-day SNF, telehealth <small>(Prospective assignment; starting in 2020)</small>	
ENHANCED			Agreement Period 5 years	Minimum Population Size 5,000	✓ Yes	✓ Yes	 Up to 75% <small>Depending on quality performance</small>	 40% to 75% <small>Equal to one minus the sharing rate but must fall within this range</small>	Option One: No MSR/MLR MSR/MLR  Option Two: Symmetrical MSR/MLR in 0.5% increments, 0.5%–2.0% MSR/MLR  Option Three: Symmetrical 2.0%–3.9% based on size of attributed population MSR/MLR 	Yes, once MSR/MLR is met 	 20% of benchmark	of benchmark –15%	 FFS  Reconciled shared savings and losses	 Prospective or retrospective	✓ Three-day SNF, telehealth <small>(Prospective assignment; starting in 2020)</small>
Next Generation ACO Model ⁴			Agreement Period 1–3 years <small>Depending on timing of first year of participation; allowed to apply for up to two additional years</small>	Minimum Population Size 10,000 <small>7,500 for rural providers</small>	✓ Yes	✓ Yes	 80% or 100% <small>Participant choice between two risk arrangements</small>	 80% or 100% <small>Participant choice between two risk arrangements</small>	No MSR/MLR ; CMS applies a discount to the benchmark; the size of the discount depends on the ACO's efficiency relative to national and regional benchmarks MSR/MLR 	Yes, from benchmark including discount 	 15% of benchmark	of benchmark –15%	 FFS  Three population-based models	 Prospective	✓ Three-day SNF, telehealth, post-discharge home visit

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Note: Current as of May 2019.

- Alternative payment model.
- ACOs may switch their selection of beneficiary assignment methodology on an annual basis.
- Maximum losses 2019–2020. Annual losses not to exceed the percentage of revenue specified in the revenue-based nominal amount under the Quality Payment Program, capped at a percentage of updated benchmark that is one percentage point higher than the expenditure-based nominal amount standard.
- Five-year initiative running from January 2016 to December 2020. Application period now closed.