

Beyond the tipping point: What can accountable care organizations teach us about the future of value based payment?

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Policy Studies in Family Medicine and Primary Care

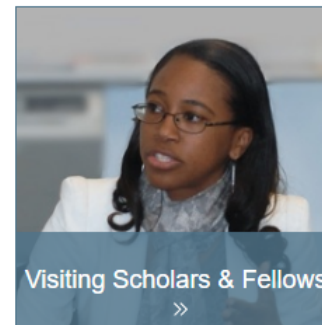
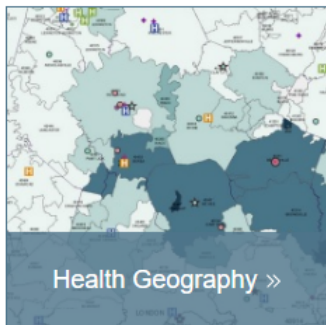
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BROWSE BY TOPIC



Access to Care



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DIRECTOR'S CORNER

Decades of societal and cultural misunderstanding leave mental health shrouded in judgement, resulting in many campaigns at reducing its associated stigma. Click [here](http://healthaffairs.org) (healthaffairs.org) to read more about the unintended consequences of such mental health stigma reduction efforts, and how integrating primary care and behavioral health is a potent start at addressing mental health as an [integral component of overall health care](http://www.commonwealthfund.org) (www.commonwealthfund.org).

LATEST TWEET



Robert Graham Center
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See the latest Graham Center one-pager on high-deductible plans [here](#).

Agenda

- Introductions
- Panel Discussion
- Reaction
- Question and Answer

How have ACOs affected the delivery of primary care?



How can we improve the ACO program to better support primary care?



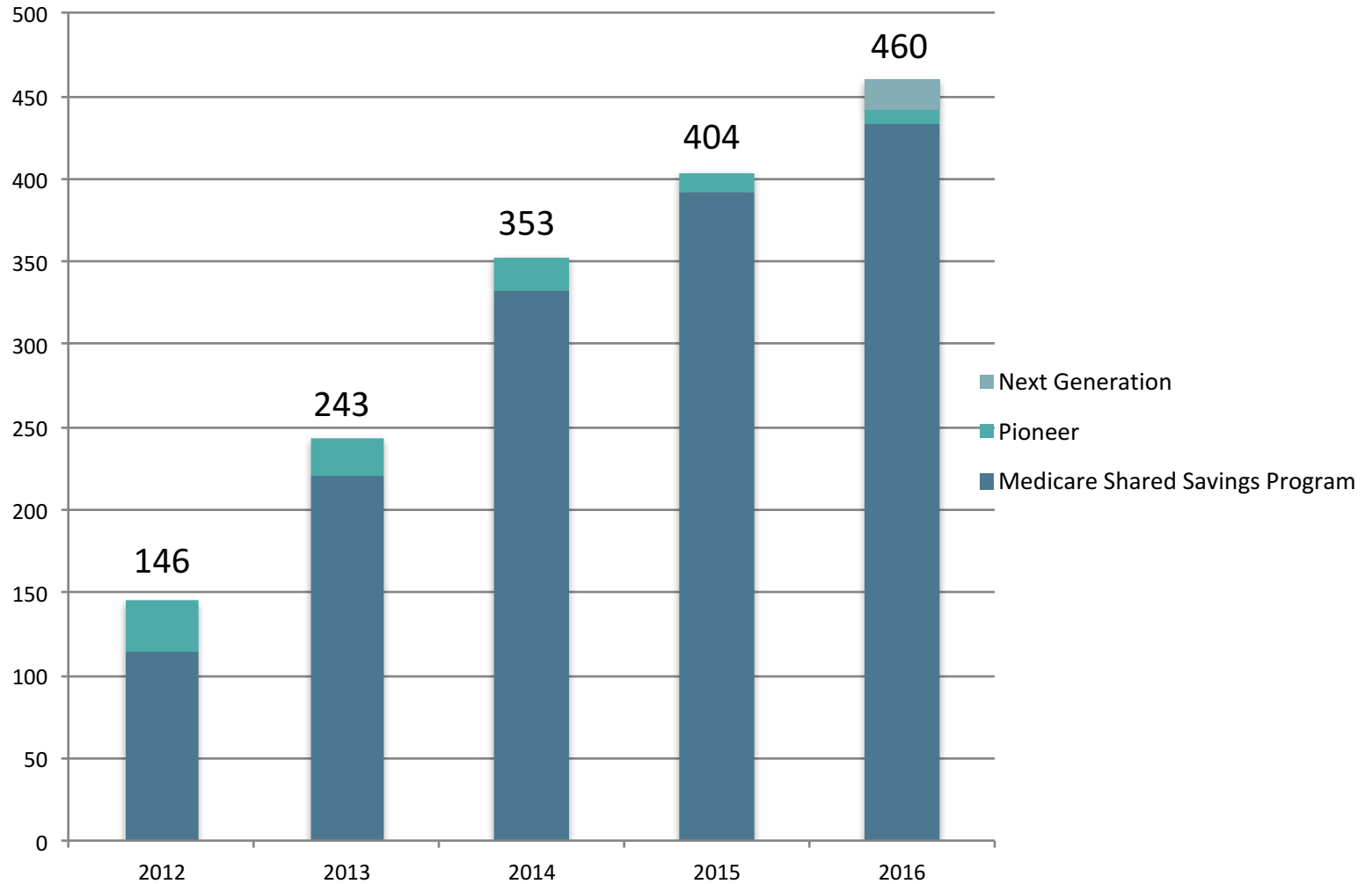
What does the future hold for primary care's role in ACOs?



Medicare Access and CHIP Reauthorization Act

- 70,000 - 120,000 clinicians are projected to participate in Advanced APMs
- Those participating in Advanced APMs are excluded from MIPS and receive a 5% incentive payment beginning in 2019

Growth in the Accountable Care Organization Program, 2012-2016



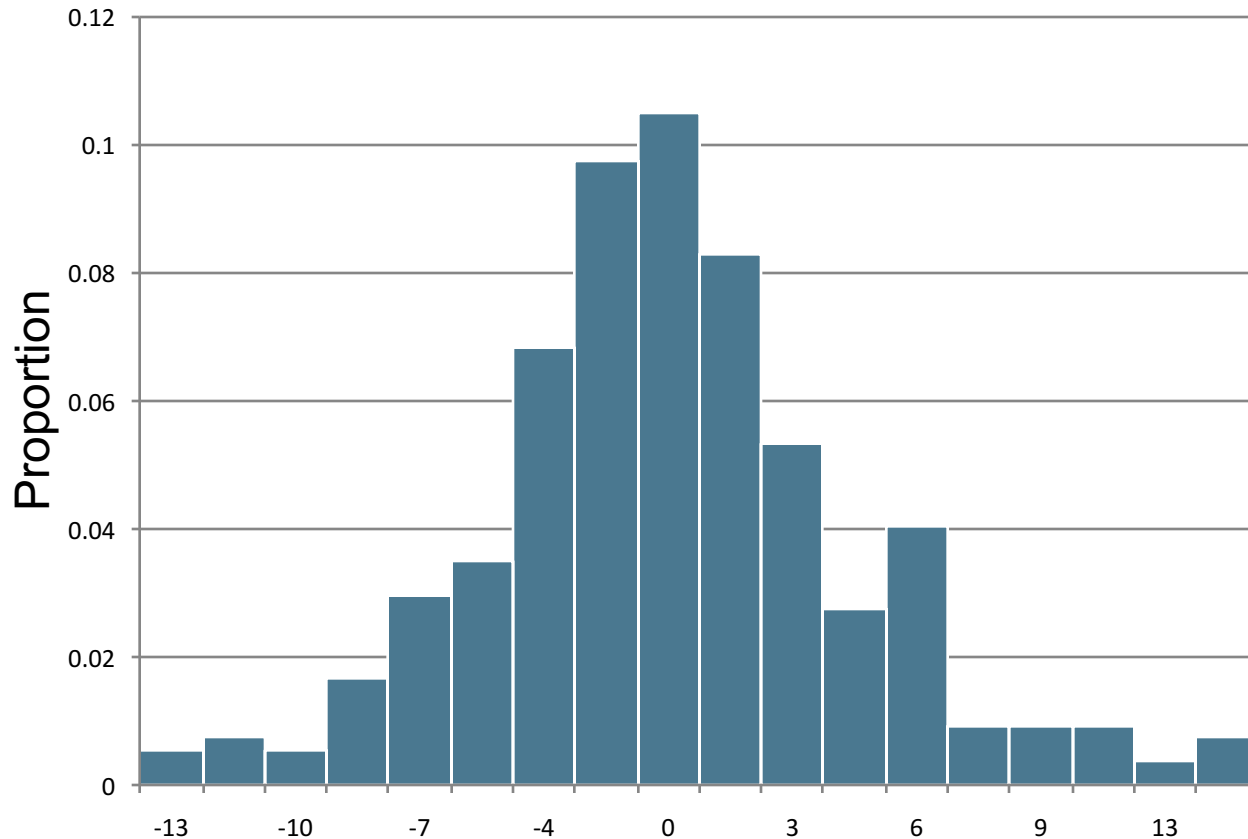
Accountable Care Organization Evaluations

ACOs included	Savings	Savings per beneficiary
2012	1.4%	\$144
2012-2014	0.7%	\$67 (accounts for bonus payments)

Spending reductions exceeded bonus payments by \$287 million

Independent, primary care groups were more likely to achieve savings

Relative Frequency Histogram of Accountable Care Organization Savings Rates



Of the 333 ACOs, 28% shared in savings

“There is little reason to think that ACOs will bend the cost curve in a meaningful way unless they bear more financial risk, sharing losses as well as savings with the government.”



Michael McWilliams
@JMichaelMcW



Following

[@anish_koka](#) [@Farzad_MD](#) We should not expect major savings until weak incentives made stronger. Nobody is saying ACOs main factor slowing \$

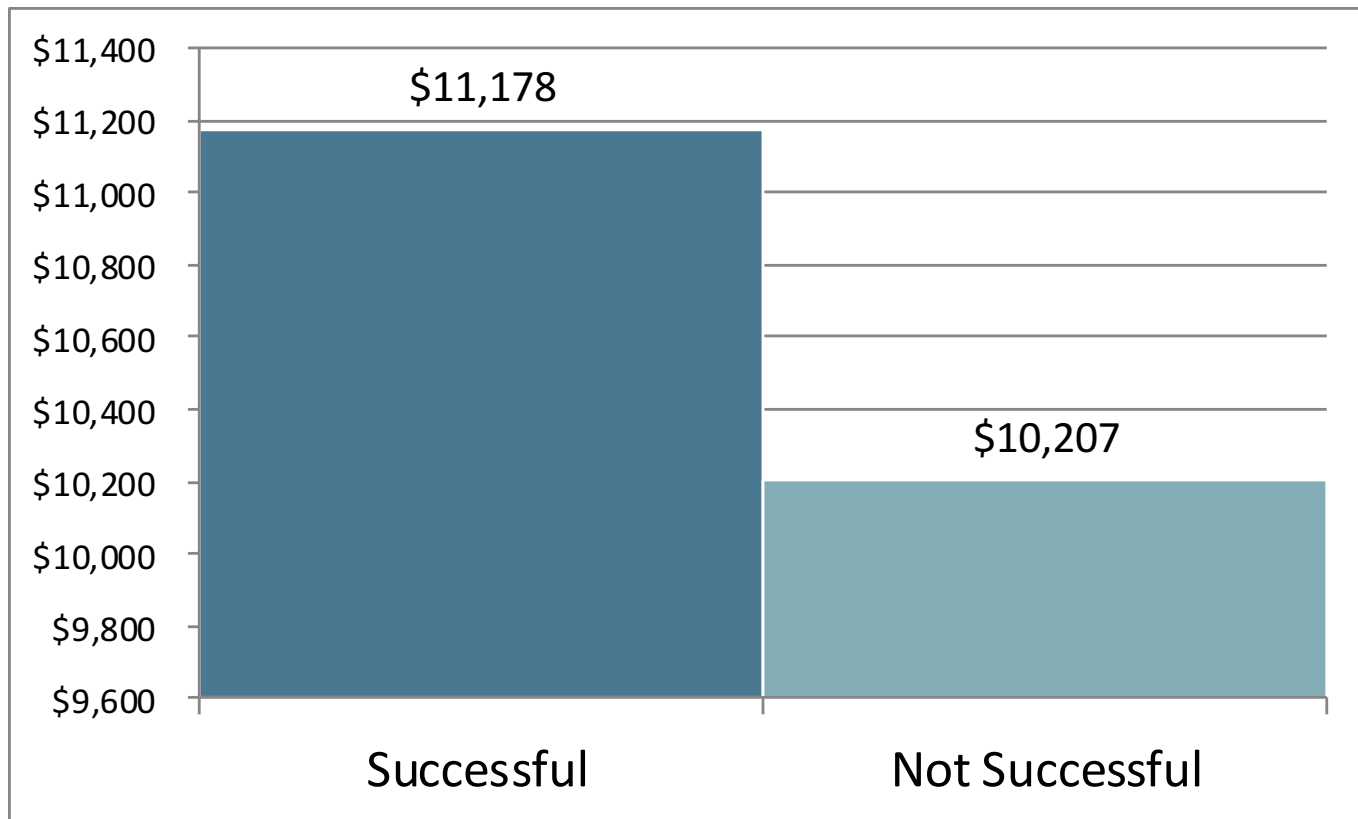
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8:39 AM - 23 Oct 2016

Successful accountable care organizations had higher benchmarks



Paying for improvement rather than achievement

“It’s hard to achieve savings, if, like Dartmouth, you are a low-cost provider to begin with.”

“It is easier for a person who runs a mile in 12 minutes to reduce the time to 10 minutes than for a five-minute miler to break the four-minute barrier.”

ACO Characteristics, by Success

Characteristics		Successful	Not Successful	p-value
Saving Rate (%)		6.5%	-1.7%	<.001
ACO Age (Years)		2.0	1.8	0.004
Follow up within 30 days of discharge (per 1,000)		770.9	782.0	0.057
Hospital Readmissions (per 1,000)		177.3	170.4	0.040
Physicians in Primary Care (%)		46.5%	41.1%	0.036
Shared Saving Tract (%)	Savings Only (Track 1)	97.8%	99.6%	0.130
	Savings And Losses (Track 2)	2.2%	0.40%	
Quality Score		85.8	90.4	0.019
Region (%)	North East	14.4%	25.3%	0.035
	South	65.6%	39.0%	<.001
	Midwest	21.1%	22.8%	0.741
	West	6.7%	21.2%	0.002

PANELISTS

Question 1

- Tell us about your involvement in ACOs. How have ACOs affected the delivery of primary care? How have they affected patient health?

Question 2

- What is one change to the ACO program that would allow ACOs to better support primary care?

Question 3

- Are ACOs an end or a transition to another payment model? What strategic advice would you give primary care leaders about the future of ACOs?

Reaction

Audience Questions

Please state your name and affiliation