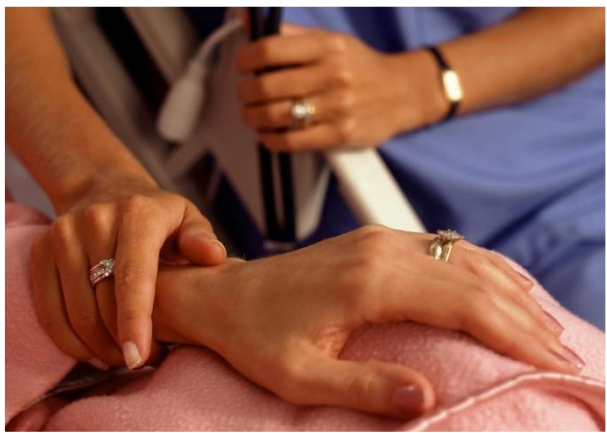


# Accountable Care Organizations



## Findings from the Survey of Care Systems and Payment



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# Overview

Accountable Care Organizations (ACOs) are a relatively new organizational structure for which little data exist about their organizational structures and operations. To help fill this information gap, the AHA conducted a survey in mid-2013 to which 309 ACOs responded. The survey covered topics such as structure and governance, contracts and risk models, key challenges, performance management and information exchange.



# Executive Summary

- Most ACOs will create a new legal structure to receive and distribute payments and this structure will involve physicians in leadership positions.
- Most ACOs are planning to pursue both the Medicare Shared Savings Program (MSSP) and commercial payer partnerships.
- Most ACOs will operate using a one-sided risk model.
- The biggest challenges facing ACOs are developing clinical and management information systems and aligning incentives to encourage provider productivity.
- Over half saw the attribution methodology as a challenge to participating in the MSSP.
- Nearly all ACOs will have a systematic process for identifying patients for key population health services.
- Most ACOs will coordinate transitions across settings of care with the primary care provider all or most of the time.



# Executive Summary (continued)

- ACOs will use a variety of mechanisms to manage risk effectively including:
  - Information systems to track utilization
  - Process to conduct ongoing monitoring of services rendered
  - Process for verifying eligibility and benefits
  - Financial health requirements to accept risk
- Just over half of ACOs can track and share performance with all members of the ACO.
- Less than half of ACOs are participating in an information exchange.
- The majority of ACOs have three or more disease registries that provide real-time information and action list that link to the electronic record.

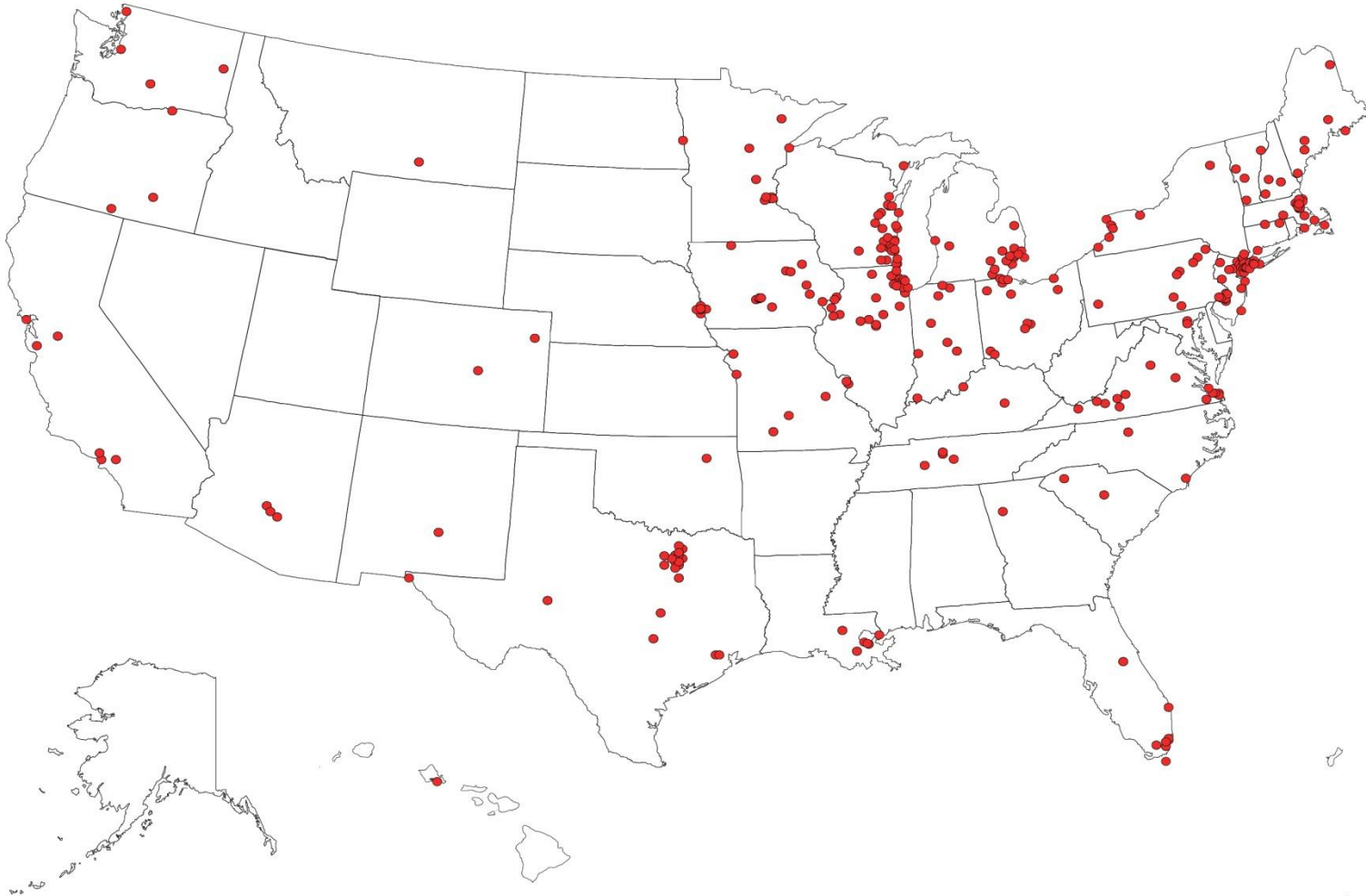


# Methodology

- The survey was fielded as part of a larger AHA-wide survey from May through October of 2013.
- The survey was sent to all registered community hospitals (4,999).
- The AHA received 1,517 responses to the overall survey.
- Of these, 309 hospitals indicated that they are part of an ACO.
- The respondent profile for the overall survey was broadly representative of the universe of hospitals.



# Organizations that indicated they were part of an ACO clustered in specific regions of the country.



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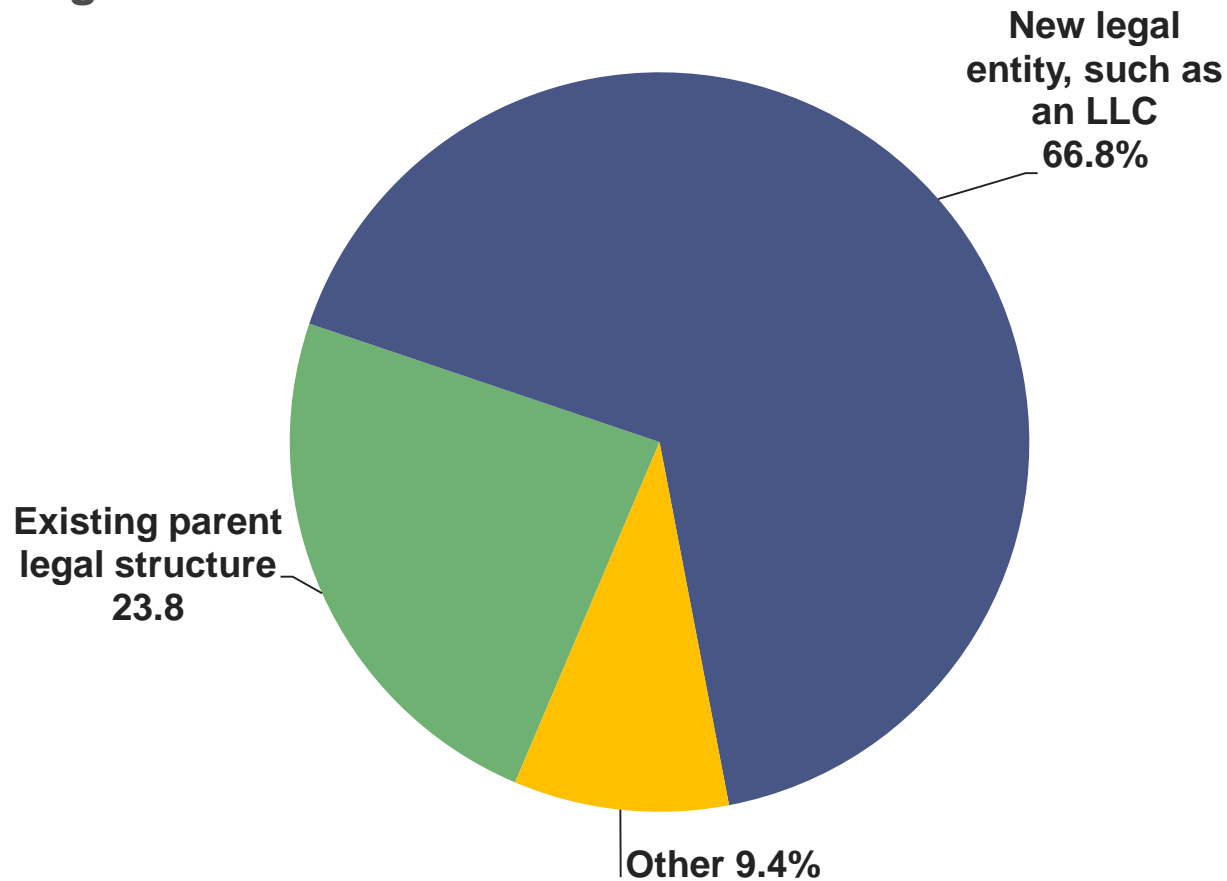
# ACO Structure



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# Most organizations will create a new legal structure to run their ACO.

What legal structure will the ACO use?

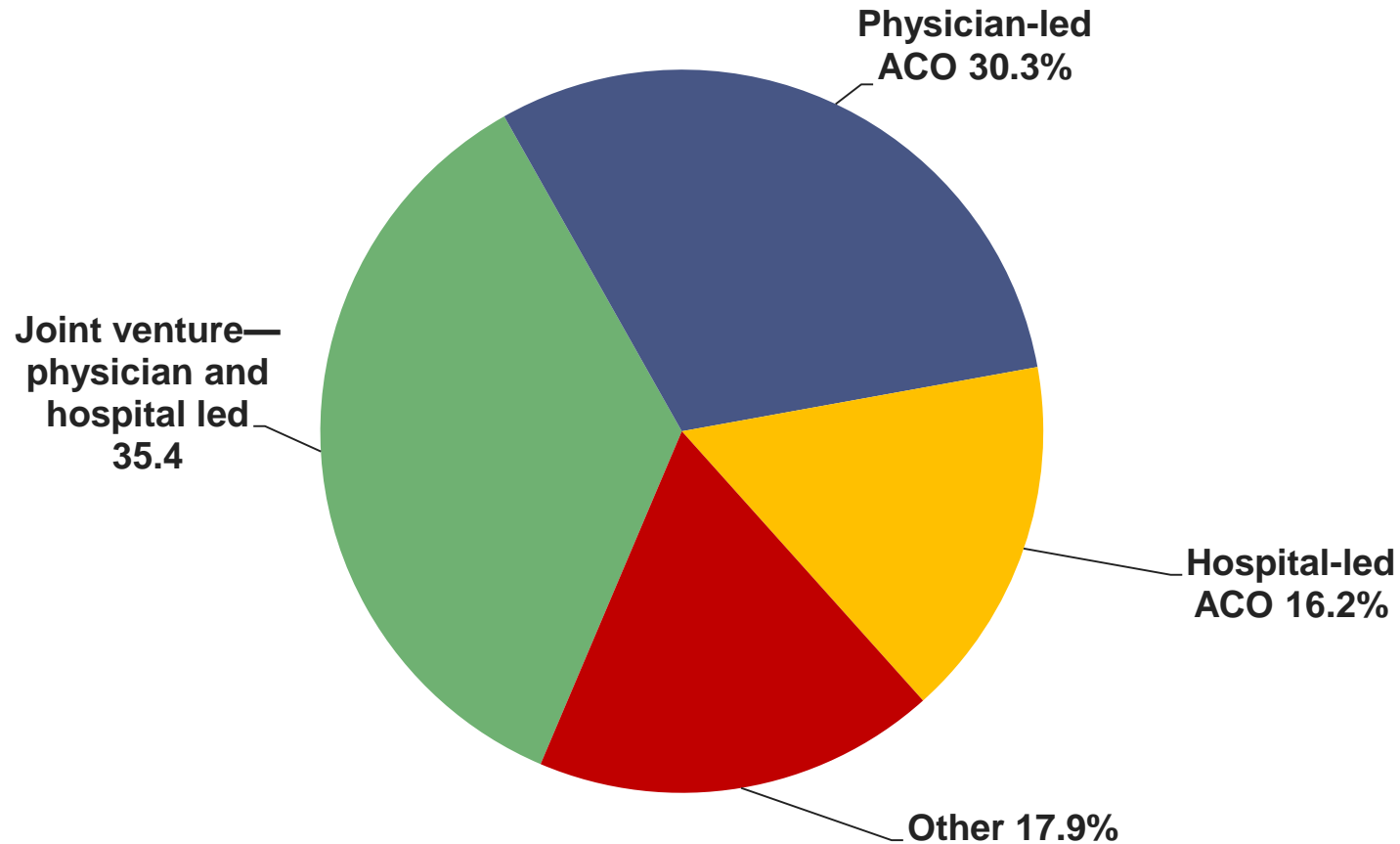


Source: American Hospital Association Survey of Care Systems and Payment, 2013.



# The majority of ACOs involve physicians in their leadership structure.

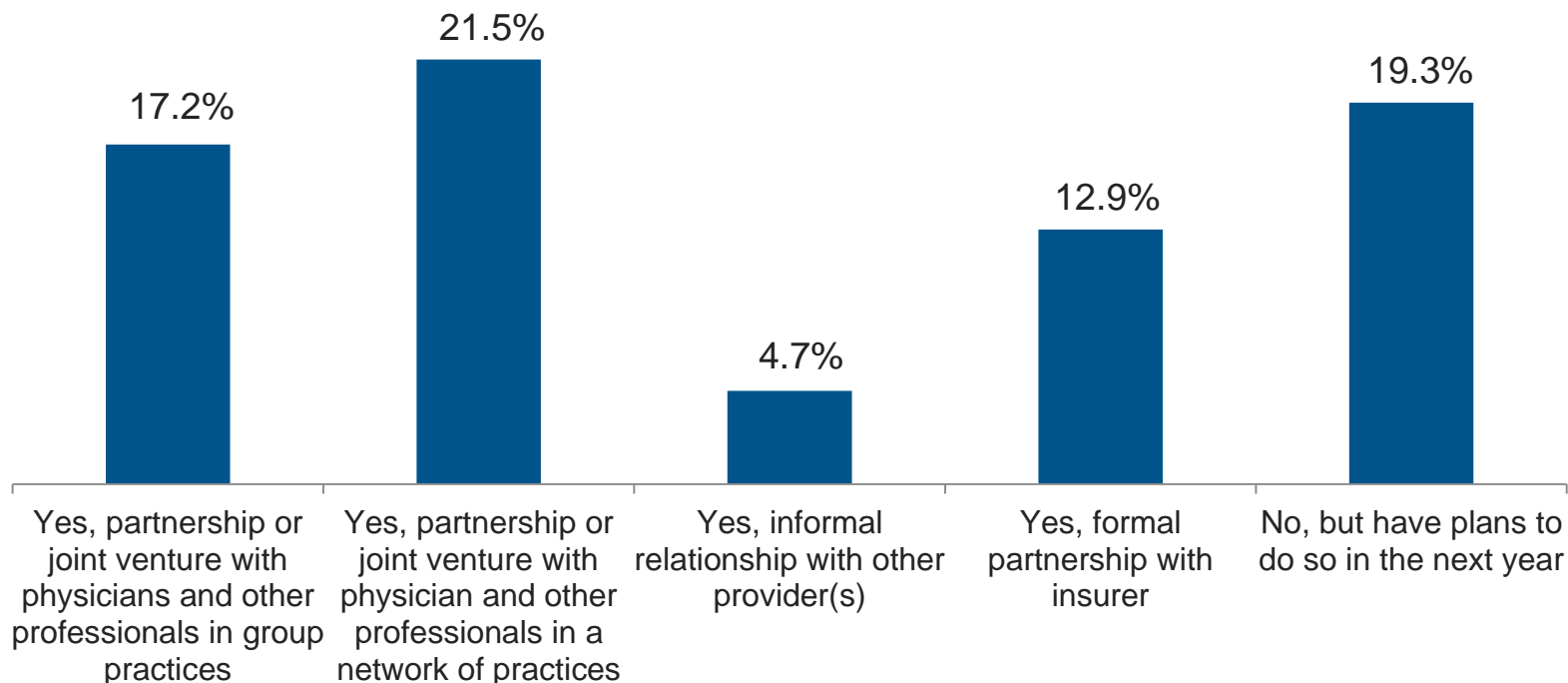
How would you characterize the governance of the ACO?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# Some ACOs will partner with other organizations.

Will you partner with another entity that has established or is establishing an ACO?



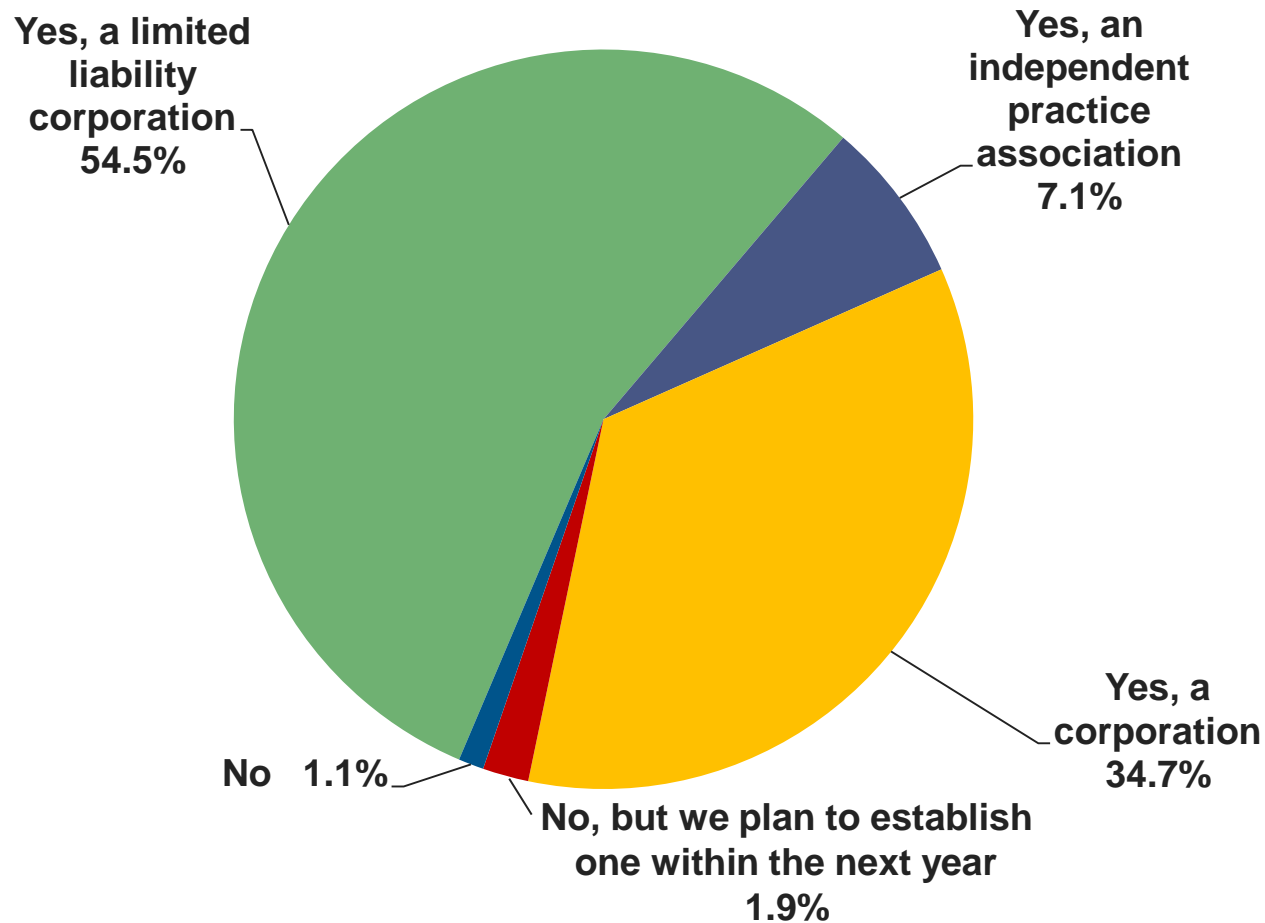
Source: American Hospital Association Survey of Care Systems and Payment, 2013.



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# Nearly all ACOs will have formed a distinct legal structure to receive and distribute payments.

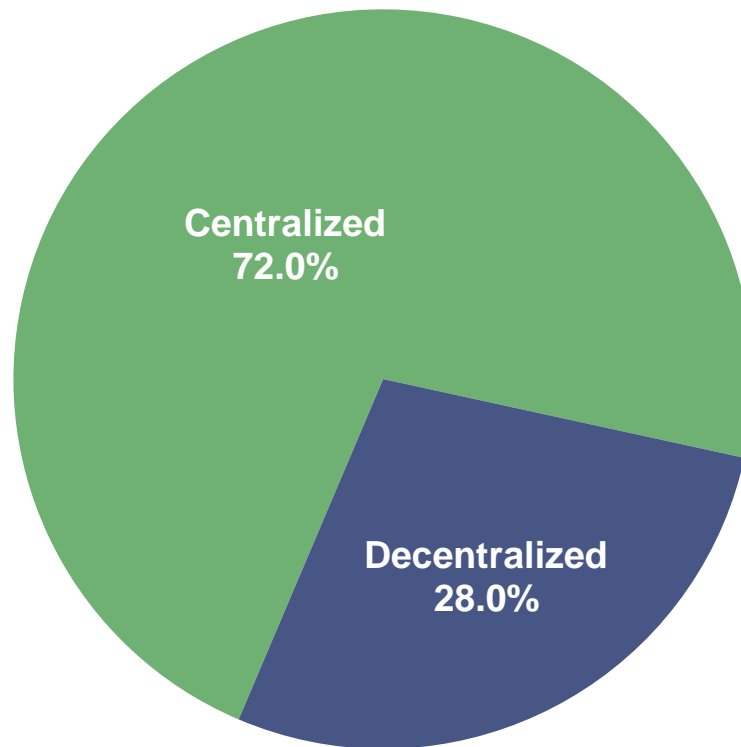
Will your ACO have a legal structure in place to receive and distribute payments to participating providers of care?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# Most ACOs will centralize the purchasing function.

Will the purchasing function for things that the ACO needs be primarily centralized at the ACO administrative level or primarily decentralized across the participating organizations?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

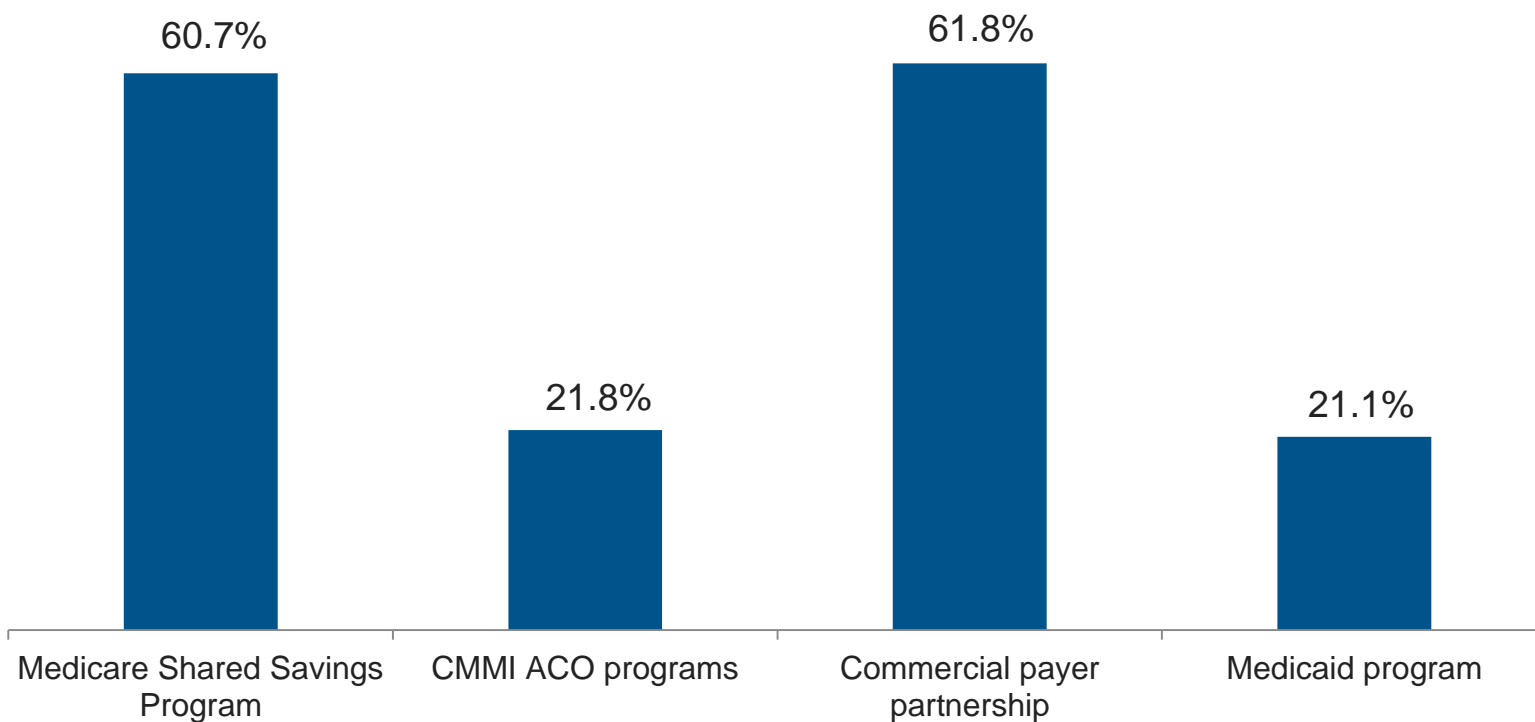
# Contracts and Risk Models



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# Most ACOs are planning to pursue the Medicare Shared Savings Program as well as commercial relationships.

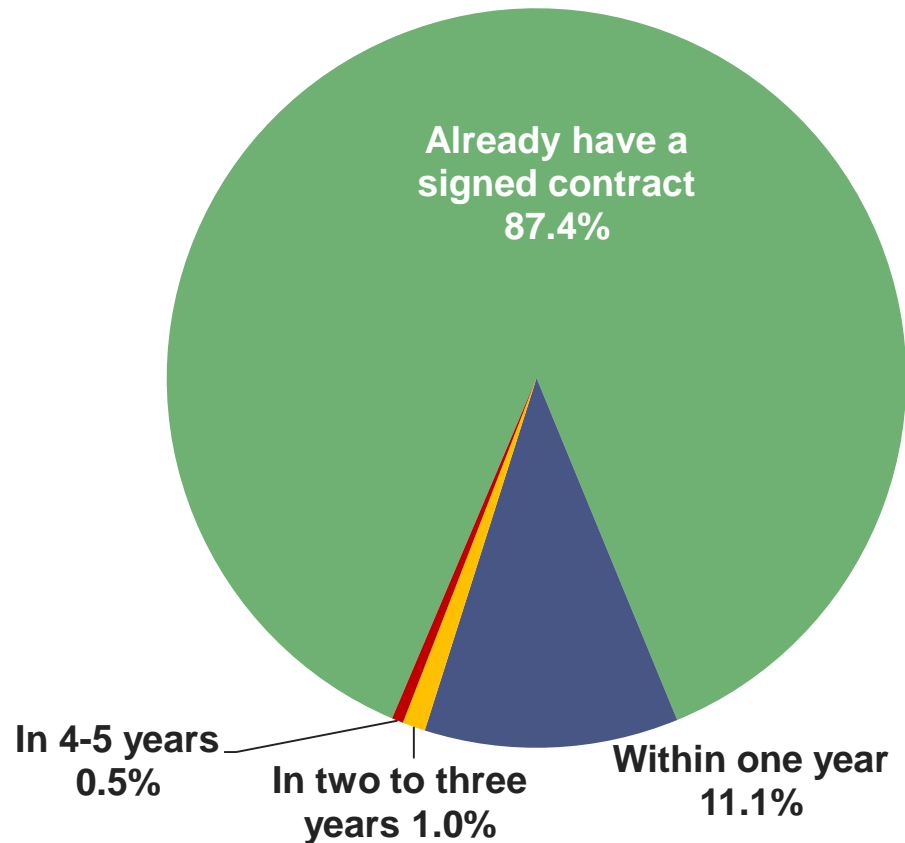
What shared savings program are you planning to pursue?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# 9 of 10 ACOs surveyed have a signed contract in place with either a public or private payer.

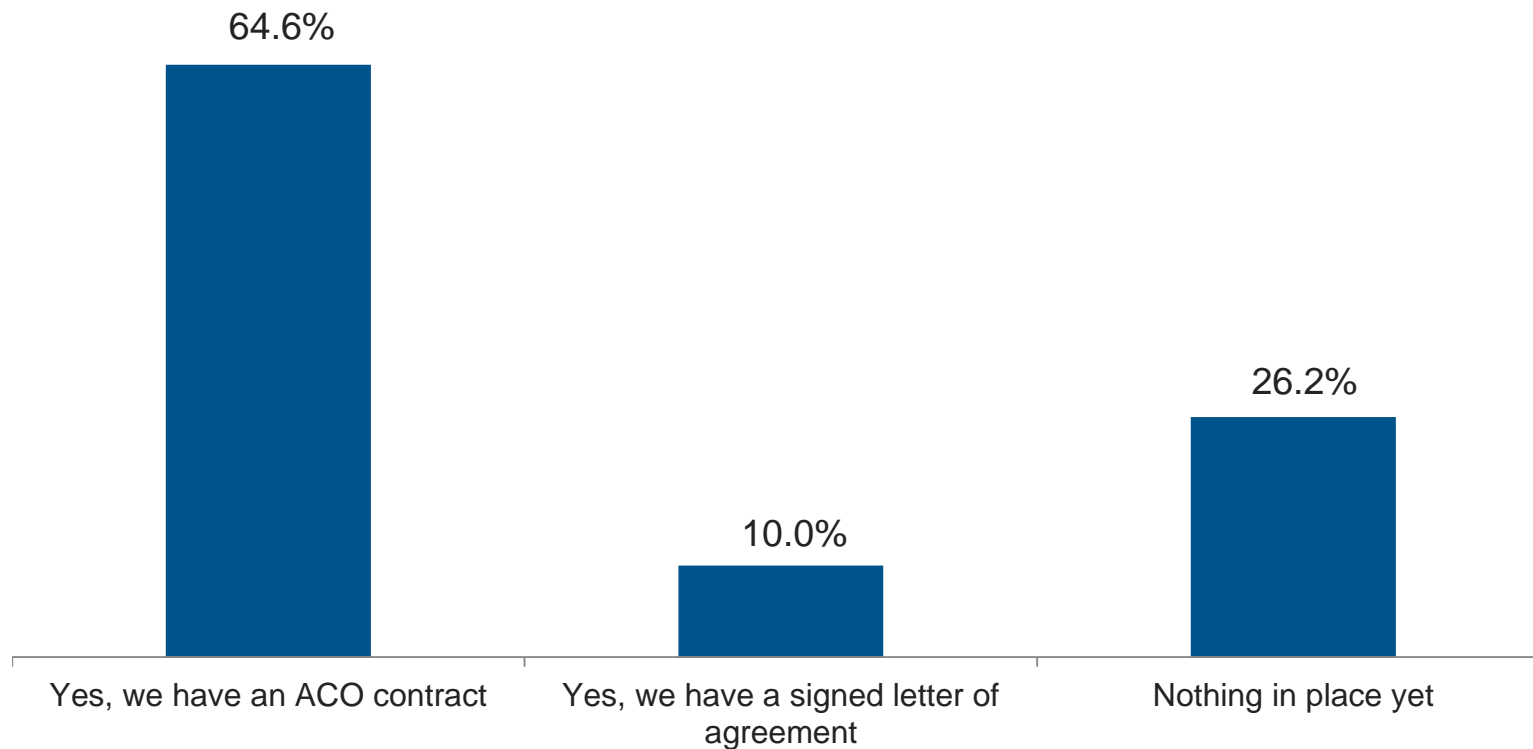
When do you plan on having a signed shared savings ACO contract with either a public or private payer?



Source: American Hospital Association Survey of Care Systems and Payment, 2013

# Most ACOs surveyed have a private payer ACO contract in place.

Is your organization currently negotiating with at least one private payer to establish an ACO contract?

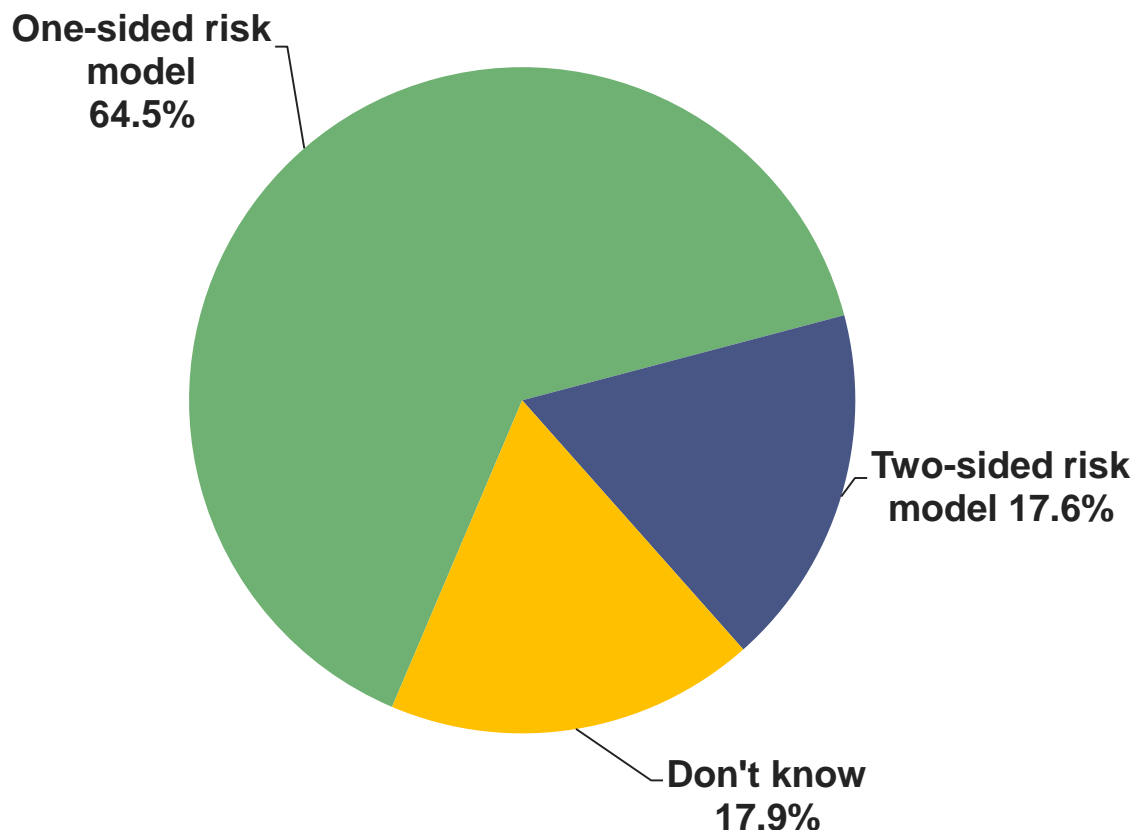


Source: American Hospital Association Survey of Care Systems and Payment, 2013.



# Under Medicare, most ACOs will operate using a one-sided risk model.

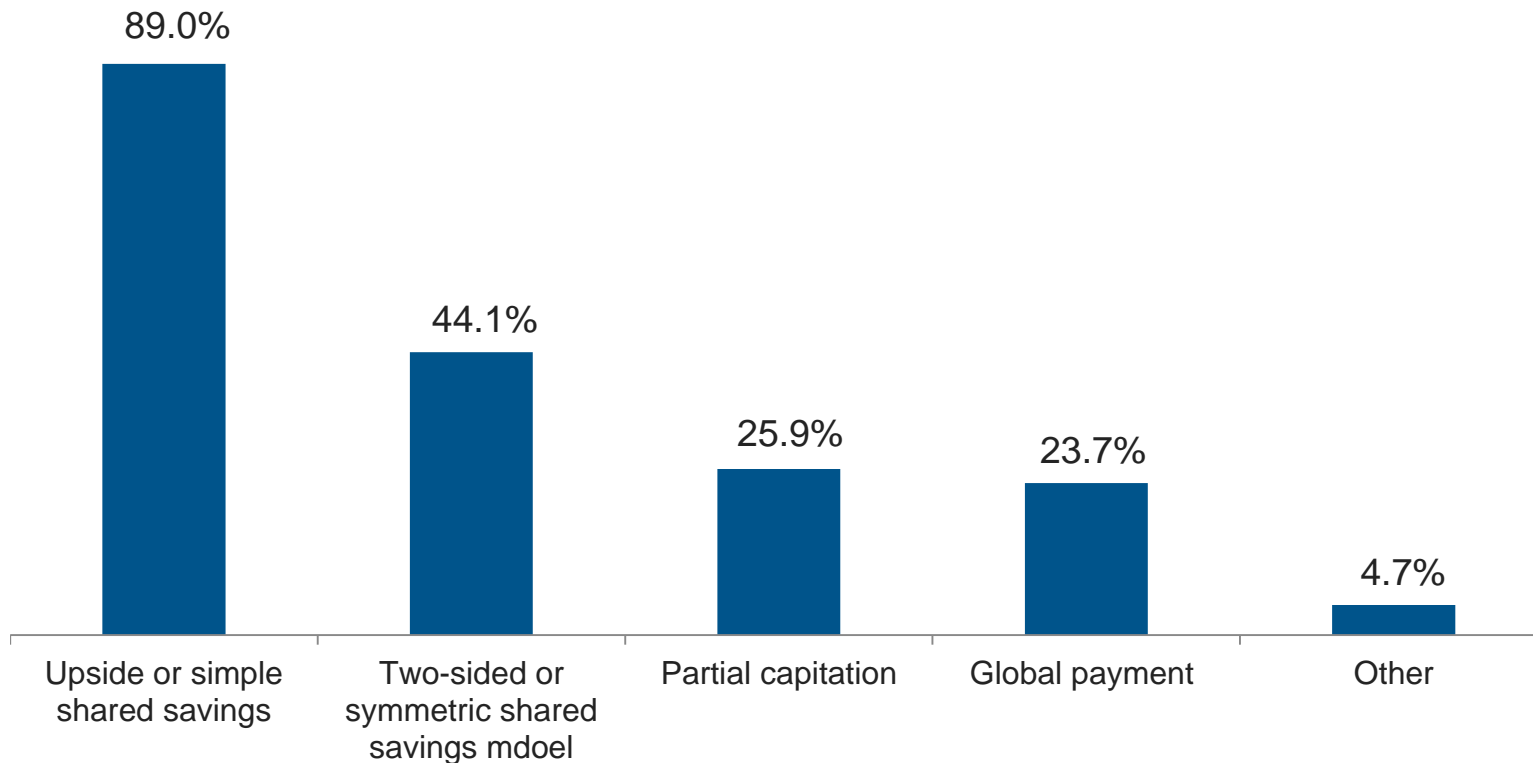
Under Medicare regulations, ACOs may select to operate using one of two risk models during the first three years. Which will your ACO use?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# Upside or simple shared savings is the most common type of risk arrangement anticipated.

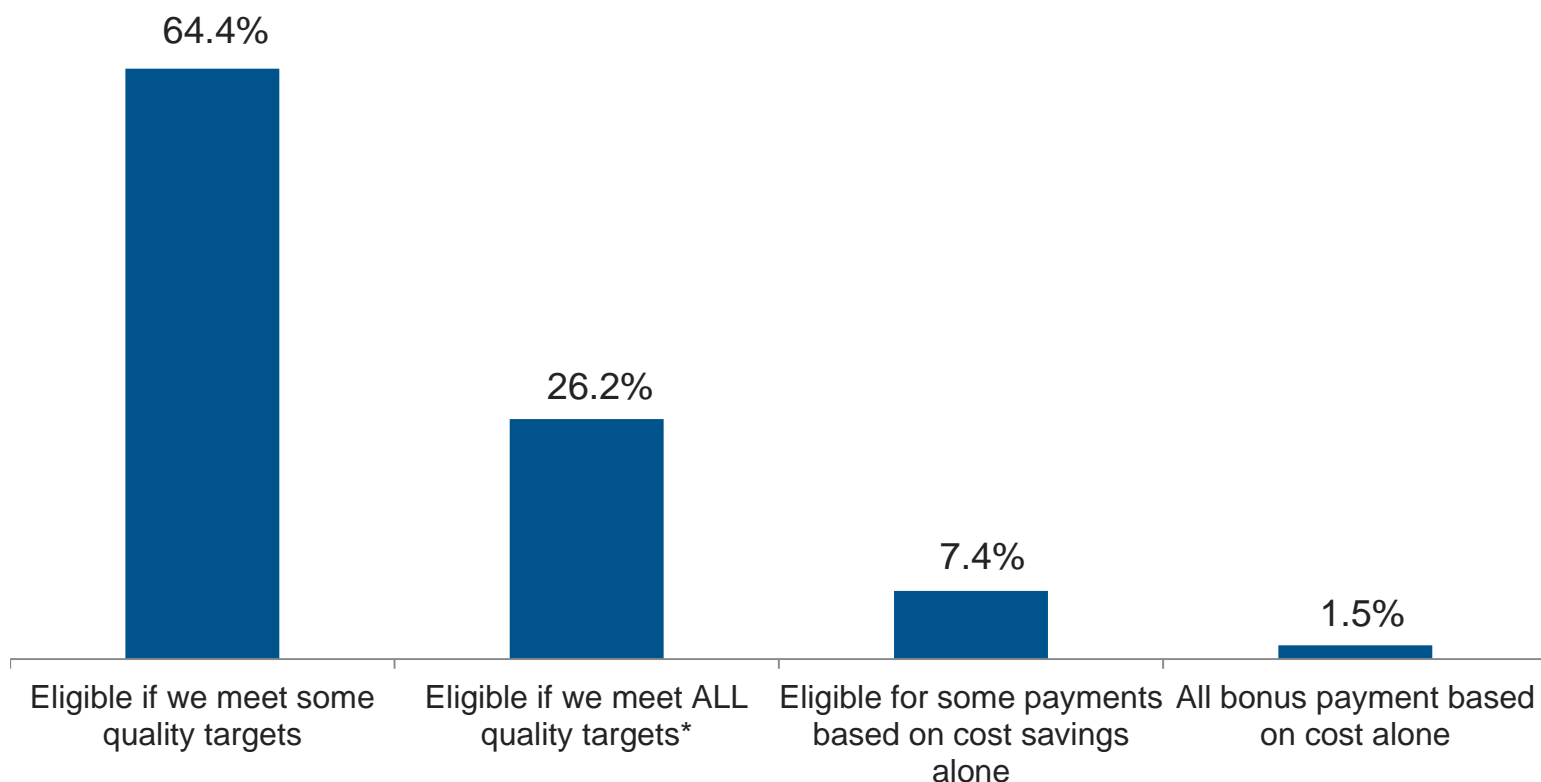
What kinds of risk arrangements do you anticipate engaging in over the first 3 years?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# Just over a quarter of ACOs must meet all quality targets to receive a shared savings bonus.

What is the relationship between shared savings bonus and achievement of quality measurement targets?



\*The Medicare Shared Savings Program requires ACOs to meet all quality targets in the second year.

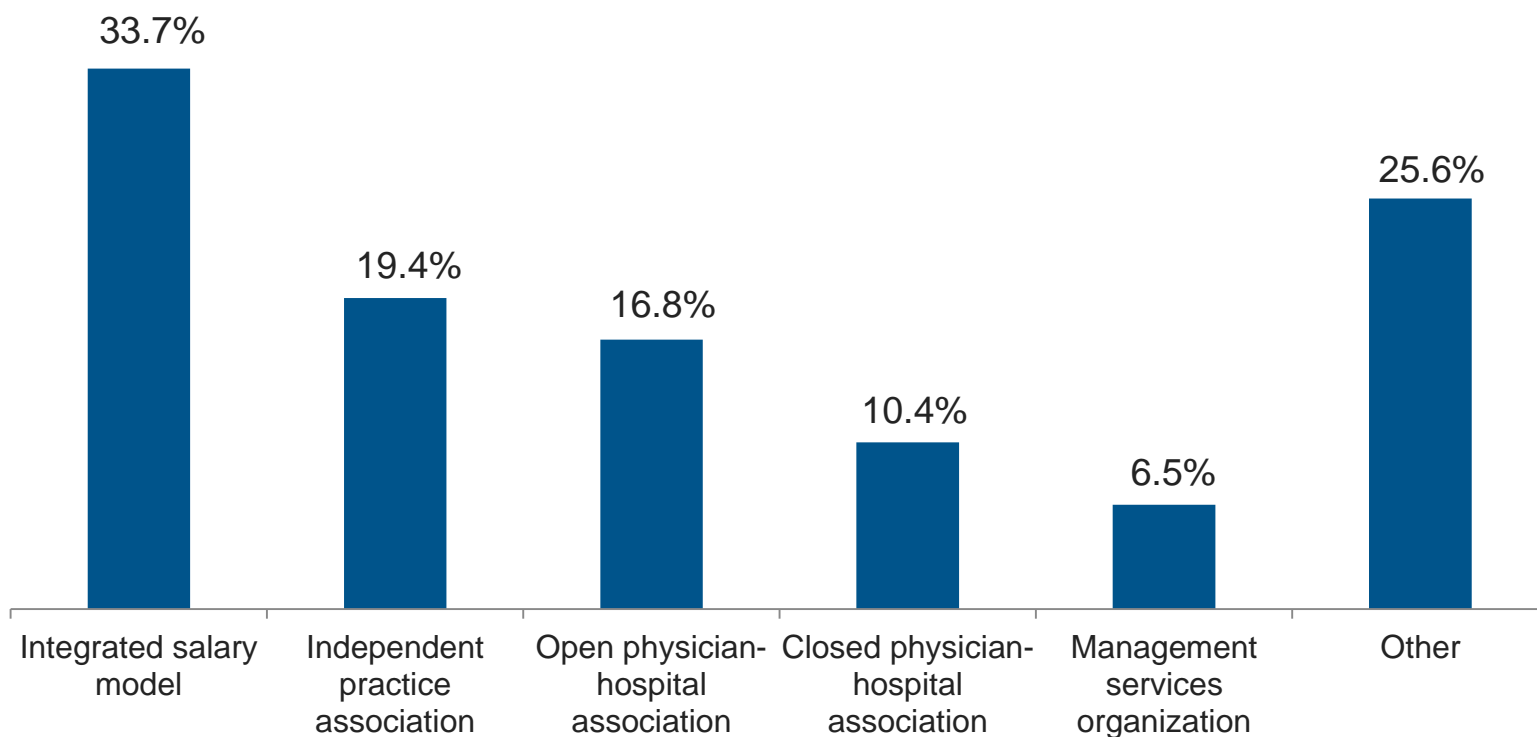
Source: American Hospital Association Survey of Care Systems and Payment, 2013.



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# ACOs will participate in a variety of physician arrangements.

In which of the following physician arrangements will your ACO participate?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.



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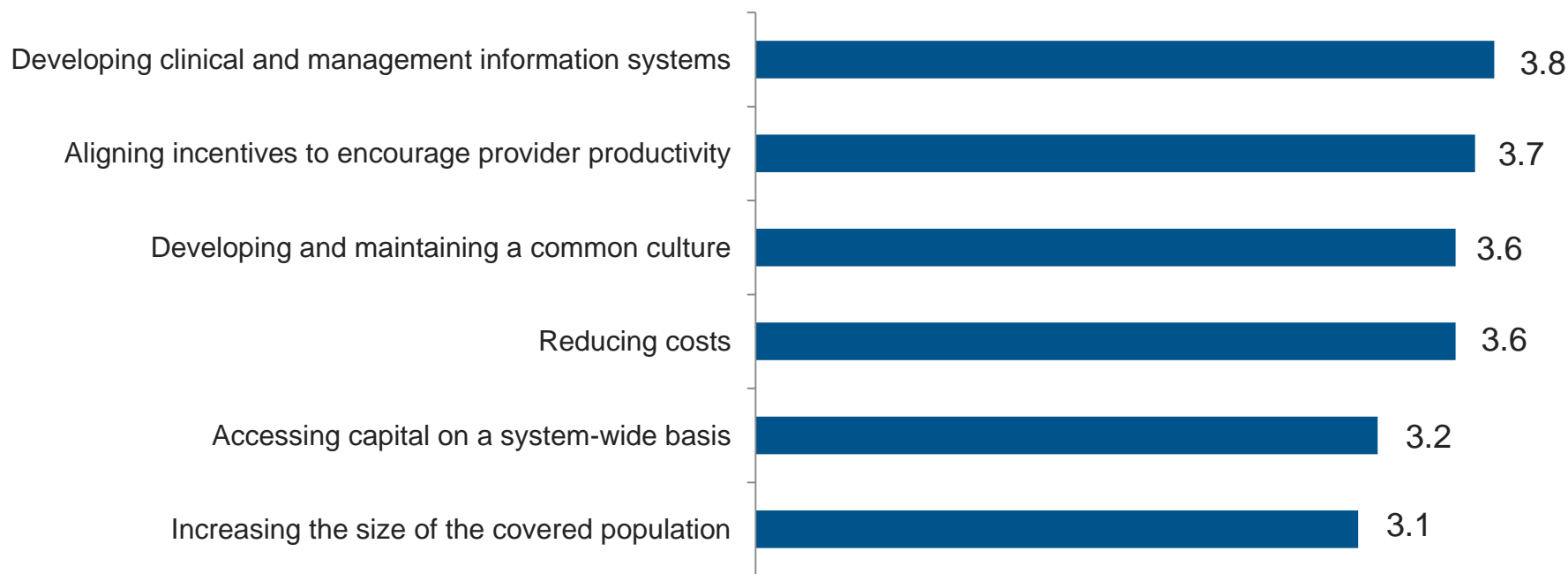
# Challenges Facing ACOs



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# Developing information systems and aligning incentives are the most challenging aspects of developing an ACO.

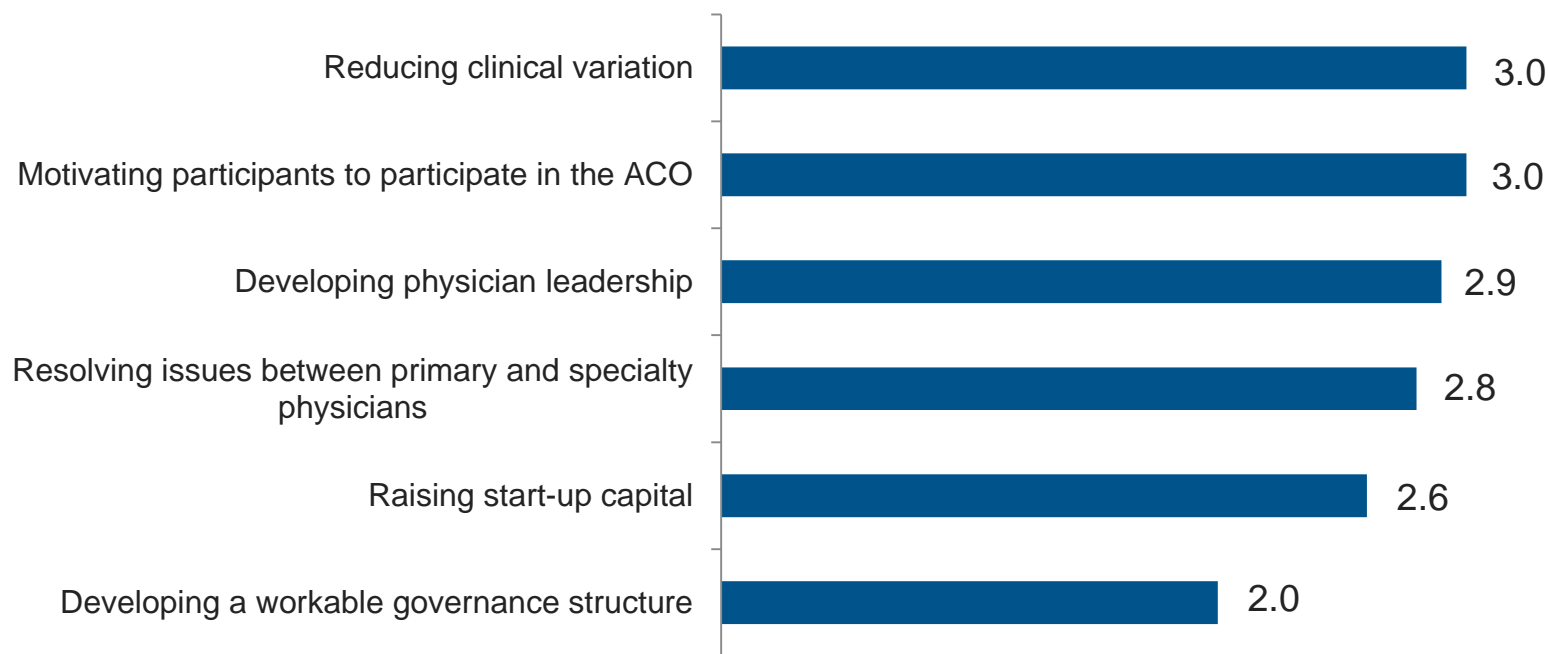
Rate the perceived challenge your organization or partner organization will face in becoming an ACO (5 point scale)



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# ACOs do not see raising capital or developing a workable governance structure as significant challenges.

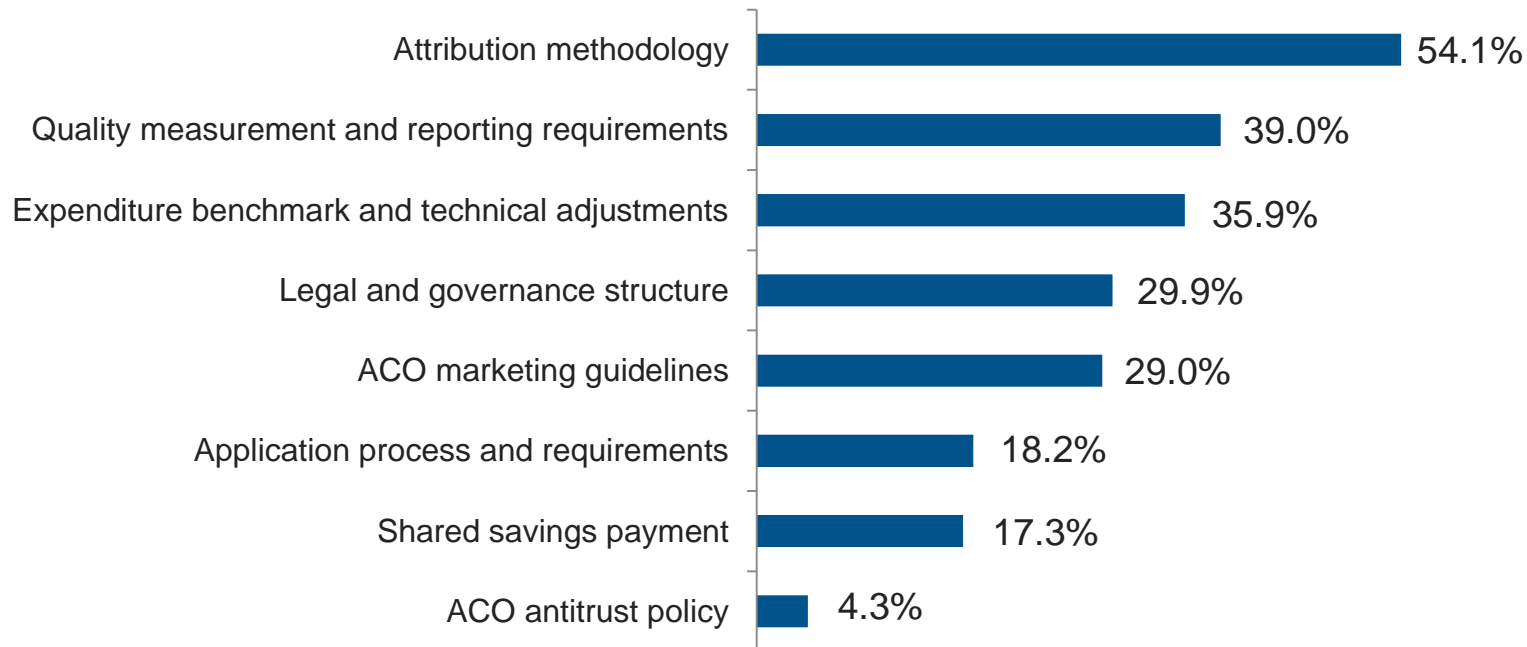
Rate the perceived challenge your organization or partner organization will face in becoming an ACO (5 point scale)



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# Over half saw the attribution methodology as a challenge to participation in the Medicare Shared Savings Program.

Which of these provisions in the Medicare ACO regulations pose a challenge to your organization's ability to participate in the Medicare Shared Savings Program?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

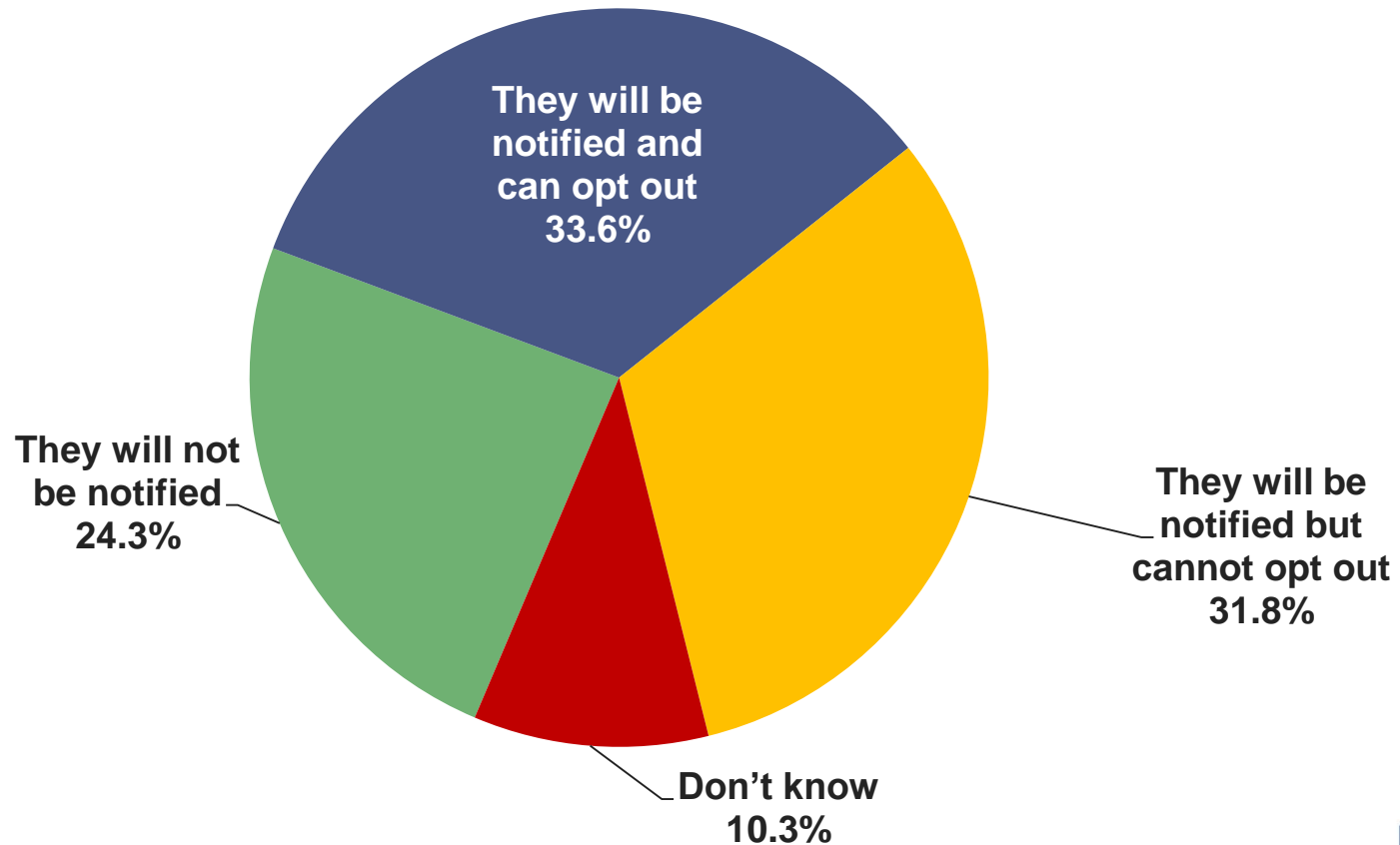


# Patient Engagement and Care Management

Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# About a third of ACOs will notify patients of ACO inclusion and offer them the option to opt out.

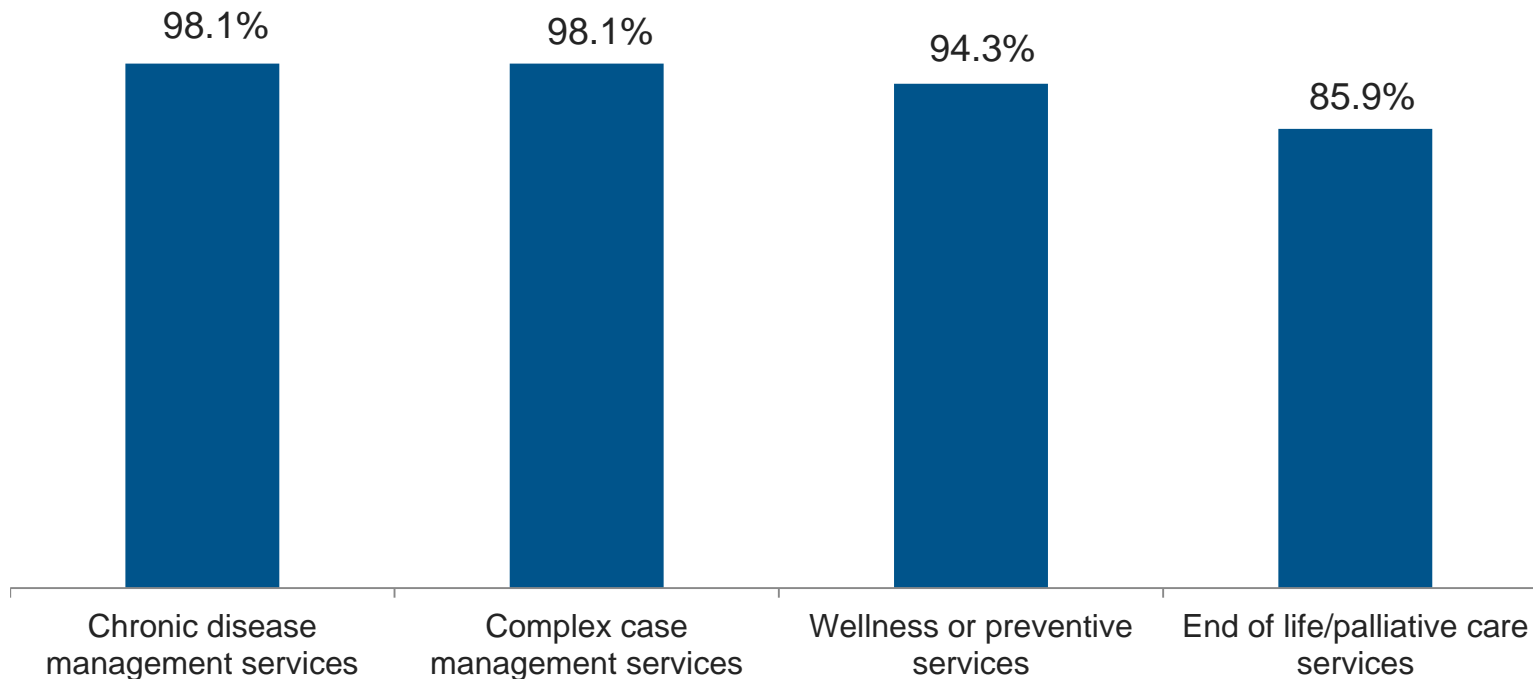
Will patients be notified when they are attributed to the ACO and given the option to opt out?



Source: American Hospital Association Survey of Care Systems and Payment, 2013

# Nearly all ACOs will have a systematic process for identifying patients for key population health services.

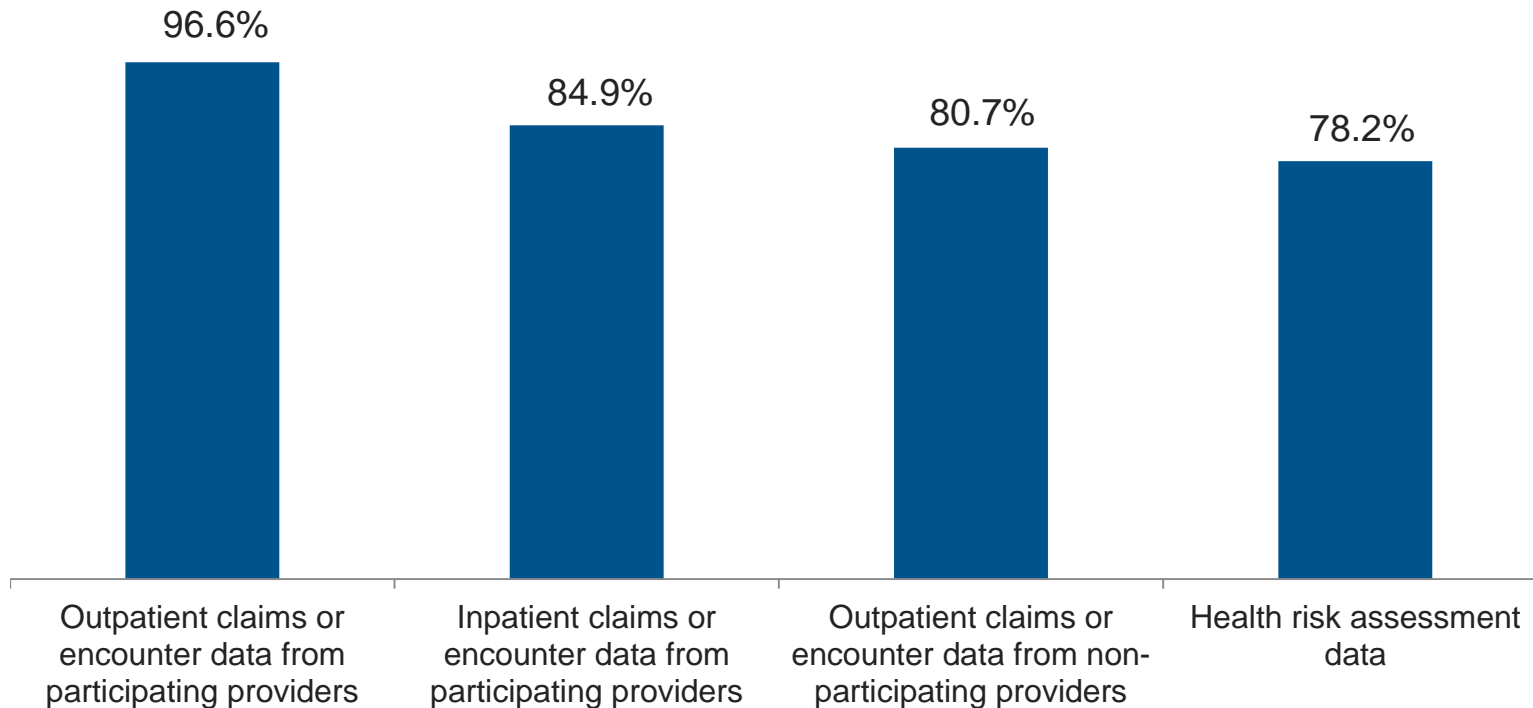
Will your ACO have a systematic process for identifying eligible patients and providing the following population health management services?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# Most ACOs will use claims and health risk assessment data to identify individuals in need of specific services.

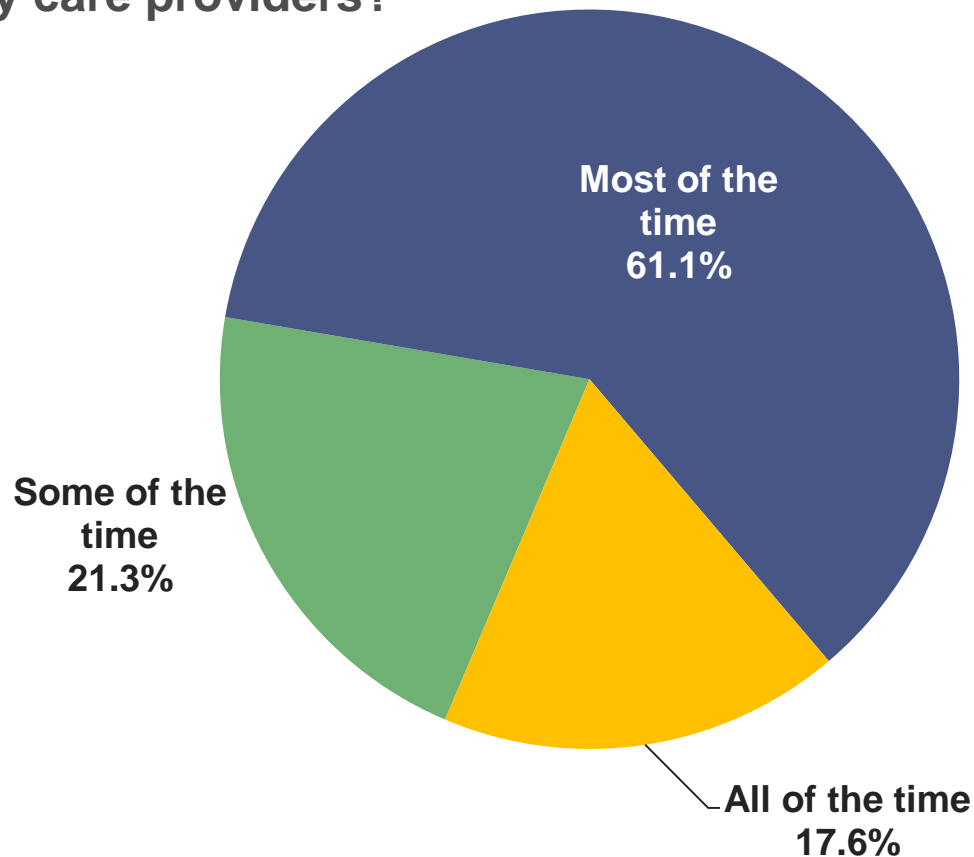
Will your ACO's process to identify patients qualifying for the above services include the following data types?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# Most ACOs will coordinate transitions across settings of care with the primary care provider all or most of the time.

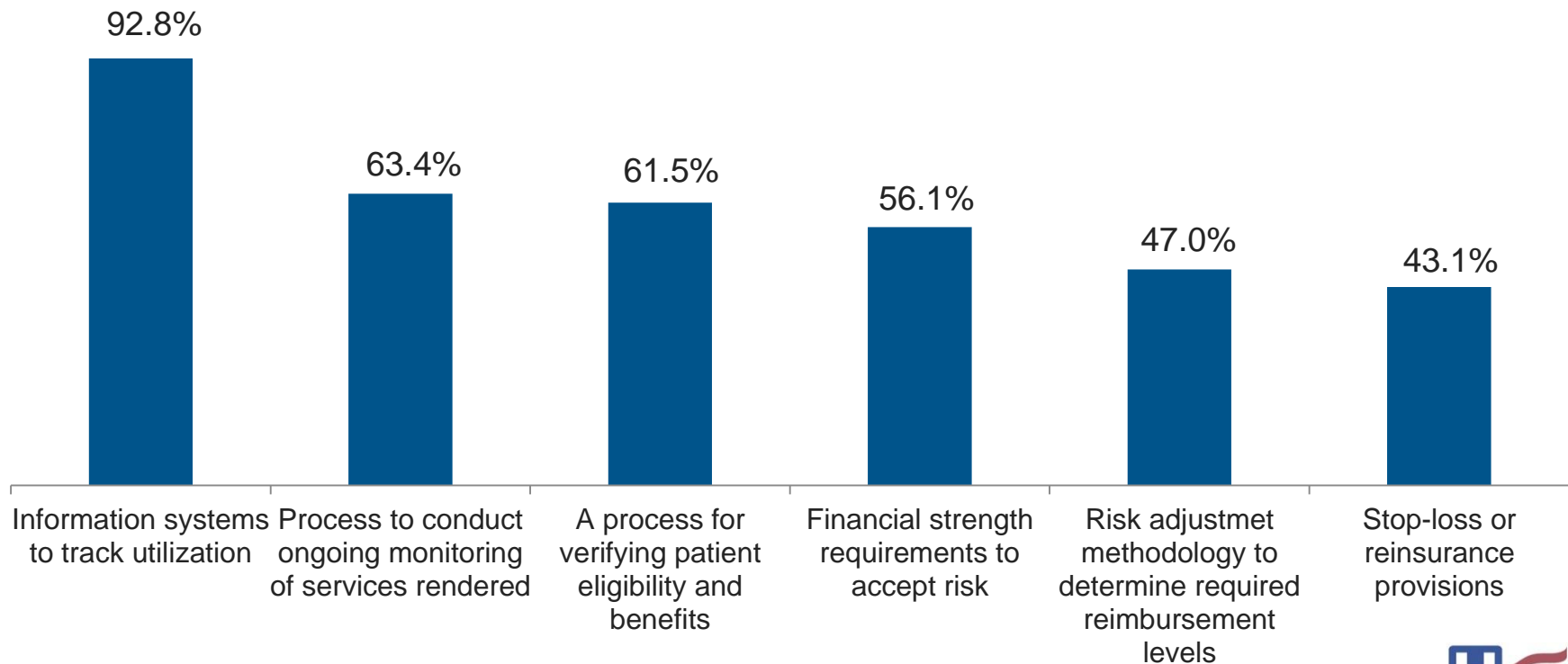
To what degree will ACO patients' transitions between settings across the continuum of care be coordinated with the patients' primary care providers?



Source: American Hospital Association Survey of Care Systems and Payment, 2013

# ACOs use a variety of mechanisms to manage resources effectively.

Will your ACO have the capability to manage its resources effectively, as evidenced by having a financial risk management plan in place with the following features?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

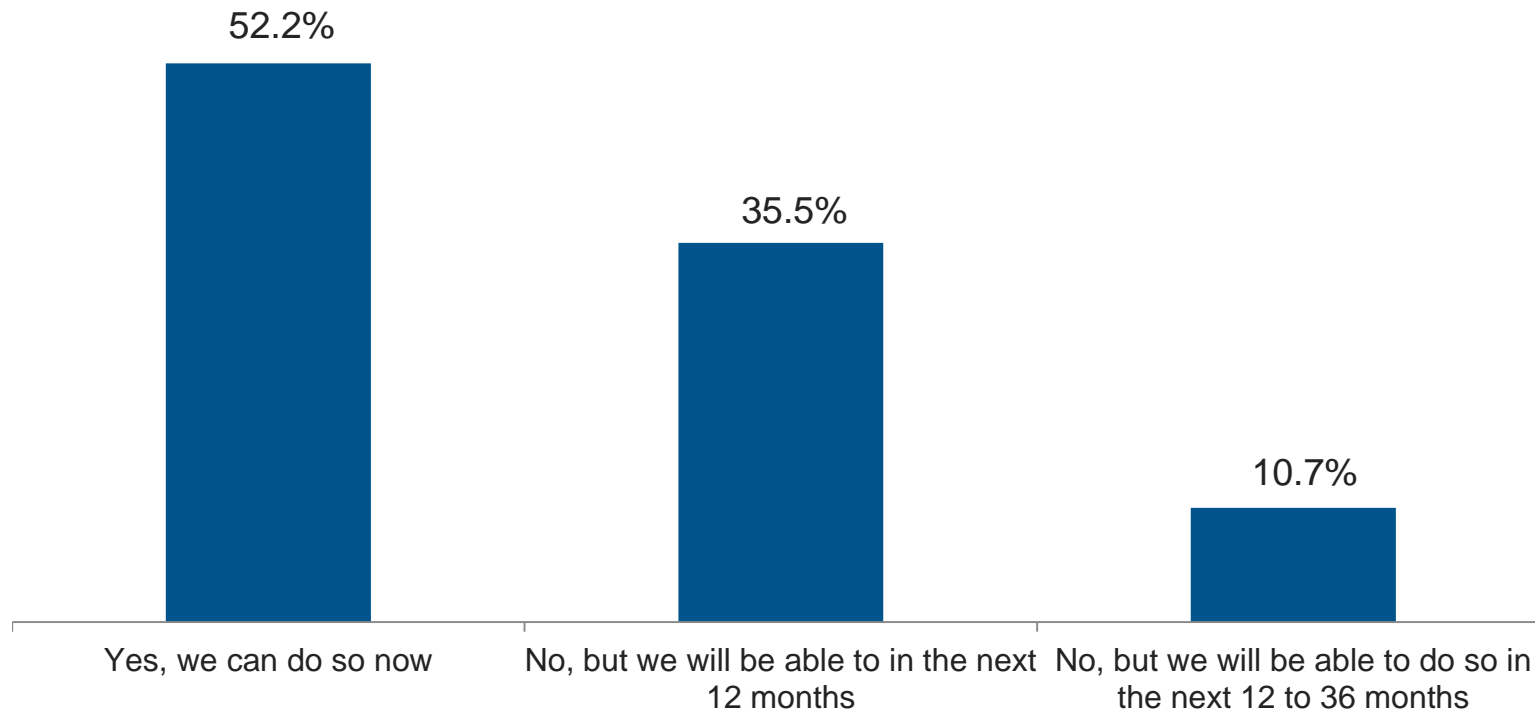
# Performance Management



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# Just over half of ACOs can track and share performance with all members of the ACO.

Will your ACO track and routinely share performance against measures with all members of the ACO?

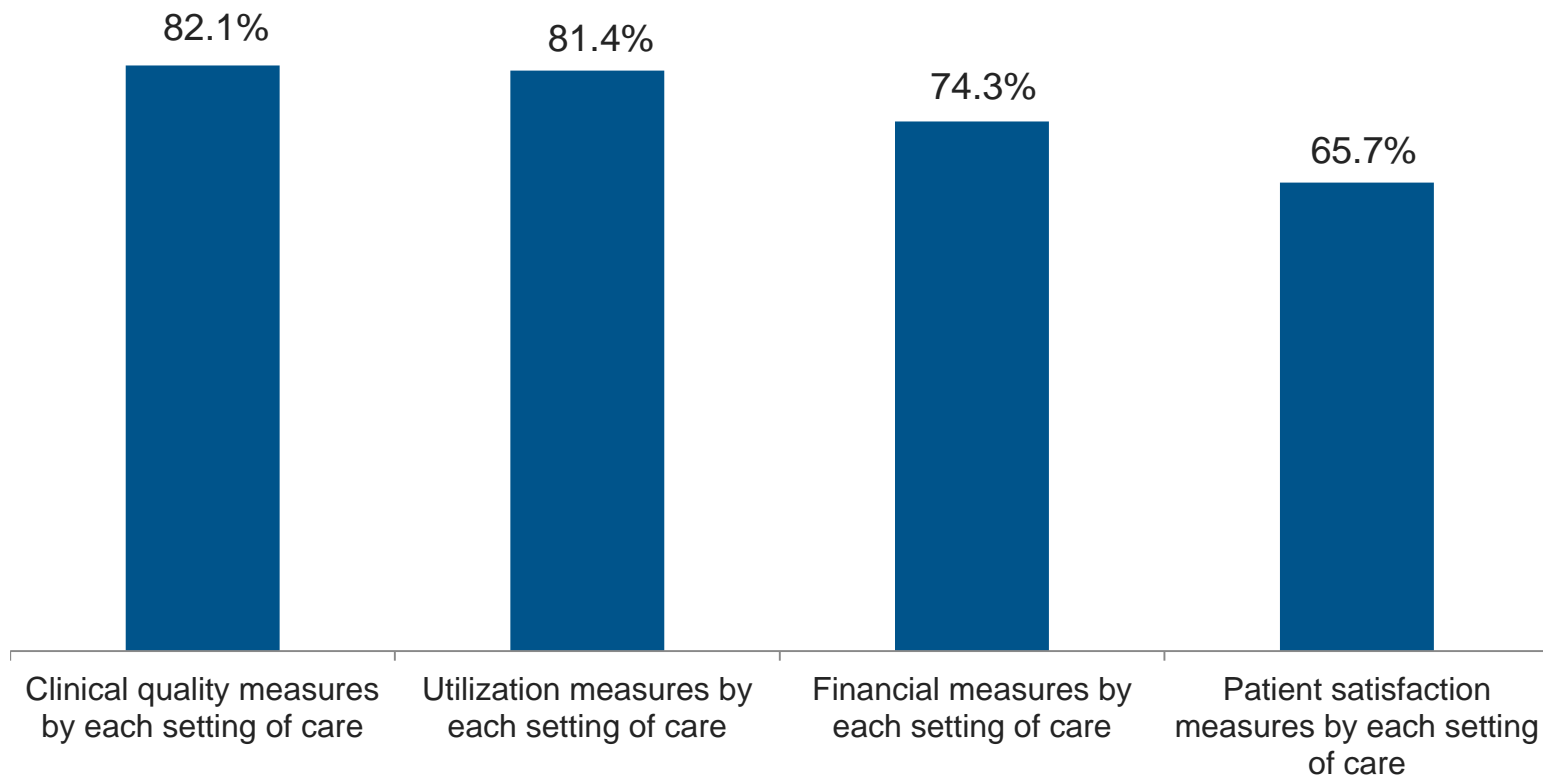


Source: American Hospital Association Survey of Care Systems and Payment, 2013.



# Most ACOs will track multiple types of measures.

## Which measures will be tracked?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.



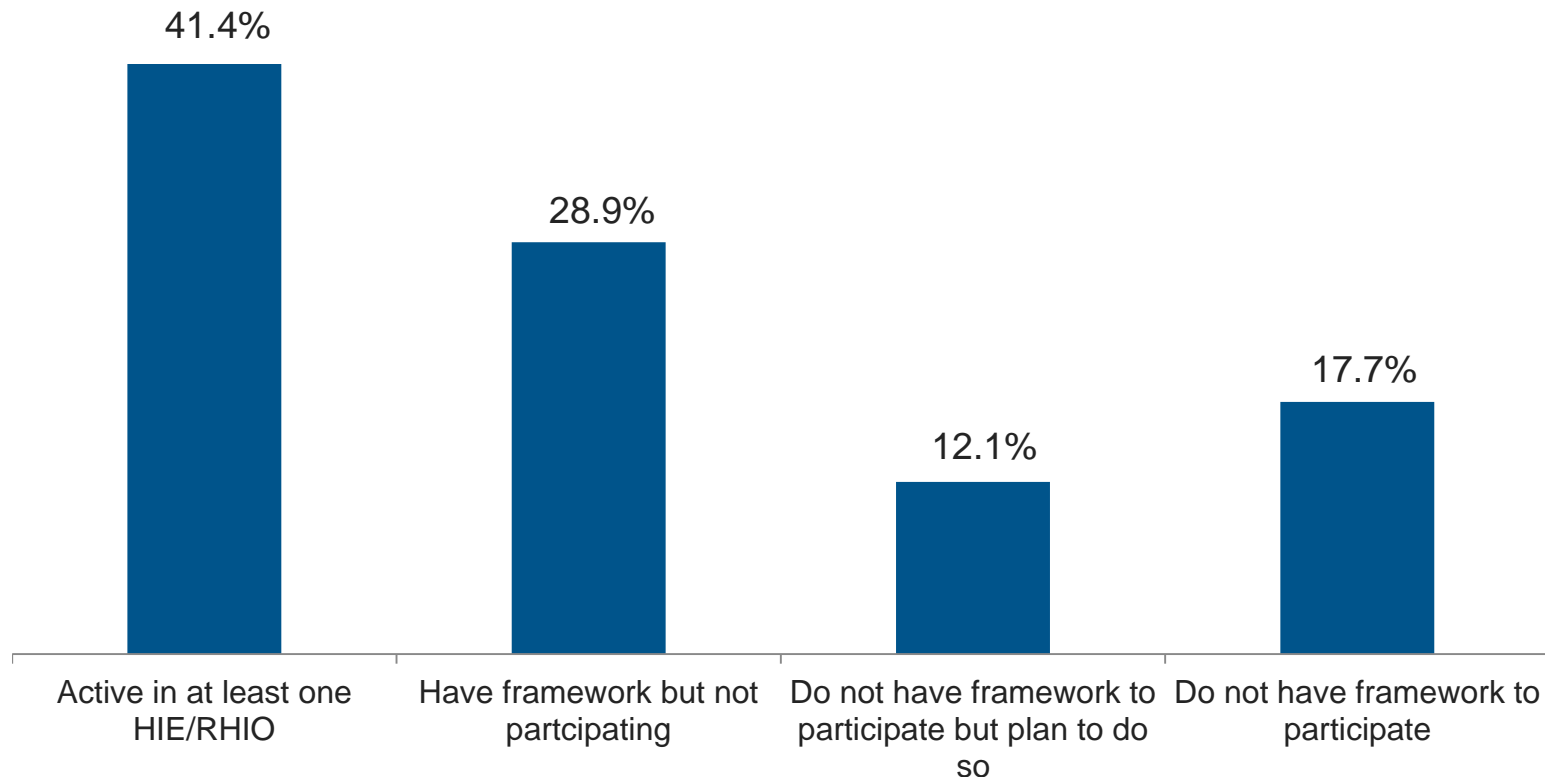
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# Information Exchange

Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# Less than half of ACOs are participating in a health information exchange.

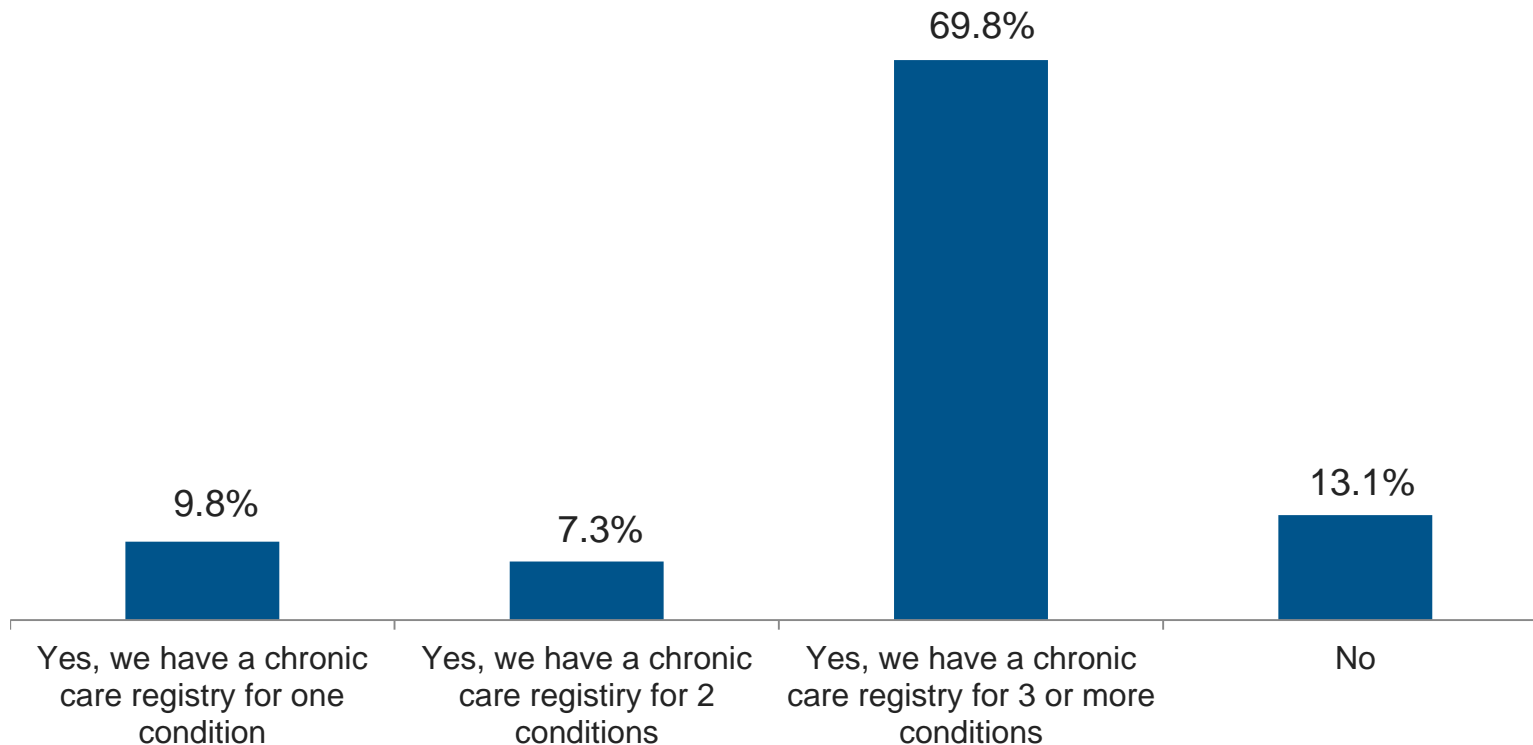
What will be the level of participation of your ACO in any Health Information Exchange or Regional Health Information Organization?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# The majority of ACOs have more than 3 chronic disease registries.

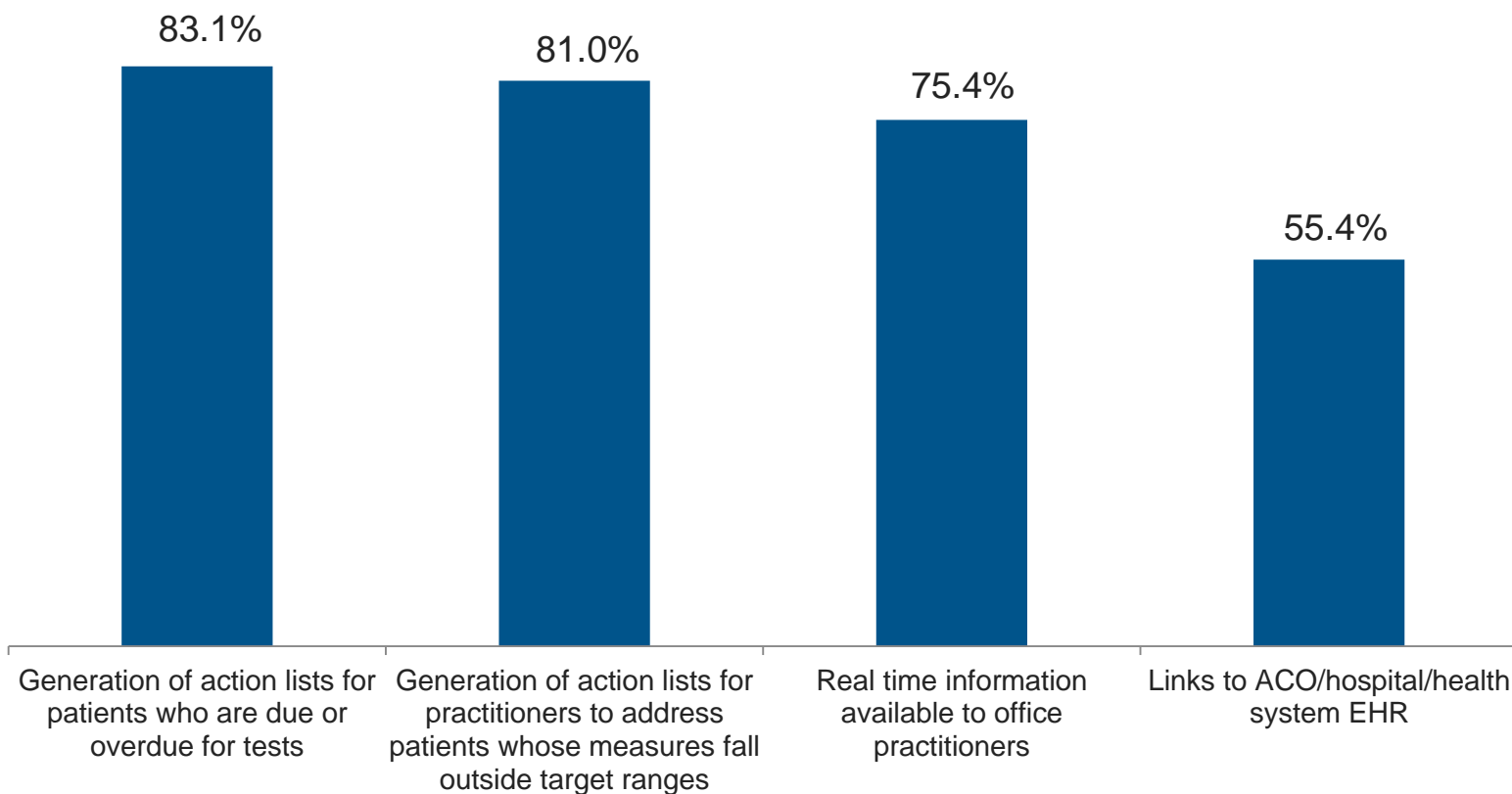
Will your ACO provide resources for or support the use of chronic care registries for one or more diagnosis-based conditions?



Source: American Hospital Association Survey of Care Systems and Payment, 2013.

# The majority of registries provide real-time information and action lists and link to the electronic health record.

Please indicate if the registry includes any of the following features.



Source: American Hospital Association Survey of Care Systems and Payment, 2013.



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