ACO Realizing Equity, Access, and Community Health (ACO REACH) Model

Overview Webinar

CMS/CMMI
March 1, 2022

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

Speakers

- **Liz Fowler**, Director, CMS Innovation Center and Deputy Administrator, CMS
- **Pauline Lapin**, Director, Seamless Care Models Group, CMS Innovation Center
- **Dora Hughes**, MD, MPH, Chief Medical Officer, CMS Innovation Center
- **Meghan Elrington-Clayton**, Director, Division of Financial Risk, CMS Innovation Center
- **Corey Rosenberg**, ACO REACH Model Lead, CMS Innovation Center
- **Teresa Wilson**, REACH ACO Coordinator, ACO REACH Model

Agenda

1. CMS ACO Vision and Strategy
2. Model Redesign and Goals
3. Model Timeline
4. Questions

CMS ACO Vision and Strategy

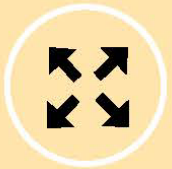
CMS Strategic Pillars

ADVANCE EQUITY

Advance health equity by addressing the health disparities that underlie our health system

EXPAND ACCESS

Build on the Affordable Care Act and expand access to quality, affordable health coverage and care



ENGAGE PARTNERS

Engage our partners and the communities we serve throughout the policymaking and implementation process

DRIVE INNOVATION

Drive Innovation to tackle our health system challenges and promote value-based, person-centered care

PROTECT PROGRAMS

Protect our programs' sustainability for future generations by serving as a responsible steward of public funds

FOSTER EXCELLENCE

Foster a positive and inclusive workplace and workforce, and promote excellence in all aspects of CMS's operations

CMS Innovation Center Statute

"The purpose of the [CMS Innovation Center] is to test innovative payment and service delivery models to reduce program expenditures…while preserving or enhancing the quality of care furnished to individuals under such titles."

Three scenarios under which the duration and scope of an initial CMS Innovation Center model test may be expanded:

1. Quality improves; cost neutral
2. Quality neutral; cost reduced
3. Quality improves; cost reduced (best case)

If a model meets one of these three criteria and other statutory prerequisites, the statute allows the Secretary to expand the duration and scope of a model through rulemaking.

CMMI Strategy Refresh | Vision & Strategic Objectives

ACO REACH incorporates several of these strategic objectives.

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Alignment with Strategic Objectives

Increase the number of people in a care relationship with accountability for quality and total cost of care. **Goal: All Medicare beneficiaries with Parts A and B will be in a care relationship with accountability for quality and total cost of care by 2030.**

Embed health equity in every aspect of CMS Innovation Center models and increase focus on underserved populations.

Leverage a range of supports that enable integrated, person-centered care such as actionable, practice-specific data, technology, dissemination of best practices, peer-to-peer learning collaboratives, and payment flexibilities.

CMS' Vision for Accountable Care

- In October of 2021, CMS outlined a renewed vision and strategy for how the Innovation Center will drive health system transformation to achieve equitable outcomes through high-quality, affordable, person-centered care for all beneficiaries. https://innovation.cms.gov/strategic-direction-whitepaper
- CMS' ACO models and programs are an important component of achieving this vision.
- CMS wants to work with partners who share its vision and values for improving patient care, guided by three key principles:
    1. Any model that CMS tests within traditional Medicare **must ensure that beneficiaries retain all rights** that are afforded to them, including freedom of choice of all Medicare-enrolled providers and suppliers.
    2. CMS must have confidence that any model it tests works to **promote greater equity** in the delivery of high-quality services.
    3. CMS expects models to **extend their reach into underserved communities** to improve access to services and quality outcomes.

Model Redesign and Goals

What is ACO REACH?

- **ACO REACH redesigns the Global and Professional Direct Contracting (GPDC) Model to advance Administration priorities**, including our commitment to advancing health equity, and in response to stakeholder feedback and participant experience.
- **ACO REACH will enable CMS to test an ACO model that can inform the Medicare Shared Savings Program** and future models with a greater focus on health equity, health care provider leadership and beneficiary voice in model participant decisions, and robust participant screening, monitoring, and transparency.
- The ACO REACH Model's **performance period will begin on January 1, 2023**.
- **Current GPDC Model participants must have a strong compliance record** and agree to meet all the ACO REACH Model requirements by January 1, 2023 to continue participating in the ACO REACH Model.
- The **application period will open March 7, 2022** and close April 22, 2022.

“Reaching” Beyond GPDC: ACO REACH Model Goals

GPDC

Empower beneficiaries to personally engage in their own care delivery.

Transform risk-sharing arrangements in Medicare fee-for-service (FFS).

Reduce provider burden to meet health care needs effectively.

ACO REACH

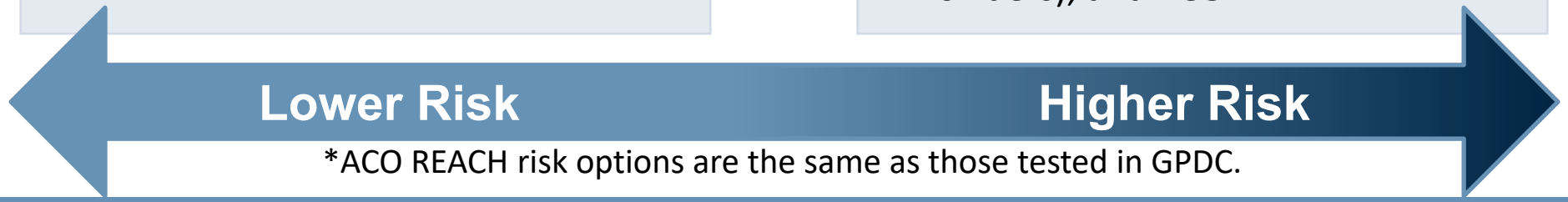
Promote health equity and address healthcare disparities for underserved communities

Continue the momentum of provider-led organizations participating in risk-based models

Protect beneficiaries and the model with more participant vetting and monitoring and greater transparency

ACO REACH Model Risk Options*

Professional	Global
• ACO structure with Participant Providers and Preferred Providers defined at the TIN/NPI level • 50% shared savings/shared losses with CMS • **Primary Care Capitation (PCC)** equal to 7% of the PY Benchmark for enhanced primary care services	• ACO structure with Participant Providers and Preferred Providers defined at the TIN/NPI level • 100% risk • Choice between **Total Care Capitation (TCC)** equal to 100% of total cost of care provided by Participant Providers (and participating Preferred Providers), and **PCC**



*ACO REACH risk options are the same as those tested in GPDC.

New Focus on Health Equity

To promote Health Equity and expand the availability of accountable care to underserved communities, ACO REACH includes the following provisions:

Health Equity Provision	Description
Health Equity Plan	REACH ACOs will be required to develop and implement a Health Equity Plan starting in 2023 to identify underserved patients within their beneficiary population and implement initiatives to measurably reduce health disparities
Health Equity Benchmark Adjustment	A beneficiary-level adjustment will be applied to increase the benchmark for those REACH ACOs serving higher proportions of underserved beneficiaries in order to mitigate the disincentive for ACOs to serve underserved patients by accounting for historically suppressed spending levels for these populations

New Focus on Health Equity (Continued)

Health Equity Provision	Description
Health Equity Data Collection Requirement	REACH ACOs will be require to collect and report certain beneficiary-reported demographic data and social determinants of health data on their aligned beneficiaries for purposes of Model monitoring and evaluation
Nurse Practitioner Services Benefit Enhancement	A new Benefit Enhancement will be offered to help reduce barriers to care access, particularly for beneficiaries in areas with limited access to physicians. Under this Benefit Enhancement, Nurse Practitioners will be able to assume certain responsibilities or furnish certain services without physician supervision such as certifying the need for diabetic shoes or hospice care
Health Equity in Application Scoring	To encourage participation by provider groups with demonstrated direct patient care experience and/or demonstrated successful experience furnishing high quality care to underserved communities, discrete points will be attached to application questions related to these categories of experience

ACO REACH maintains benefits and protections for Medicare beneficiaries

- Benefits (applies to all Performance Years of the model) include:
  - A **higher quality of care and greater clinical support and care coordination** for beneficiaries
  - **'Benefit Enhancements' and 'Beneficiary Engagement Incentives'** offered under the model (e.g., telehealth, post-discharge home visits and waiver of the homebound requirement, Part B cost sharing support, concurrent care for beneficiaries that elect hospice care)
- Beneficiary protections (applies to all Performance Years of the model):
  - All aligned beneficiaries **retain full traditional Medicare benefits** and **can see any Medicare physician**
  - Beneficiaries are proactively **notified on an annual basis of their alignment to a DCE/ACO and that their benefits have not changed**
- Beneficiaries retain all FFS Medicare channels for raising concerns or reporting complaints

ACO REACH includes robust monitoring and compliance

CMS is strengthening its monitoring and compliance through improvements to its auditing, data analytics, claims analyses, and beneficiary outreach in the ACO REACH Model and will:

- Investigate any beneficiary and provider complaints and grievances in coordination with 1-800-Medicare, the Innovation Center liaison on models in the Medicare Beneficiary Ombudsman team, CMS regional offices, and others as appropriate
- Monitor using data analytics the use of services and levels of care provided over time and compared to a reference population to detect changes in beneficiaries' access to care, including potential stinting on care
- Collect beneficiary surveys (CAHPS®[1]) annually to measure changes in beneficiary satisfaction
- Monitor financial and quality performance and use of model payments
- Monitor for noncompliance with prohibitions against anti-competitive behavior and misuse of beneficiary data
- Audit annually REACH ACO contracts with providers to learn more about their downstream arrangements and identify any concerns
- Assess annually whether beneficiaries are being shifted into or out of MA
- Examine ACOs' risk score growth to identify inappropriate coding practices
- Review marketing materials regularly to ensure information on the Model is accurate and beneficiaries understand their rights and freedom of choice
- Verify that REACH ACO websites are up to date and provide required information

(1) Consumer Assessment of Healthcare Providers and Systems (CAHPS®) is a registered trademark of the Agency for Healthcare Research and Quality (AHRQ)

Why change the name?

“ACO REACH” better aligns with the purpose of the model:

To improve the quality of care for people with Medicare through better care coordination and reaching and connecting health care providers with beneficiaries, including those beneficiaries who are underserved, a priority for achieving equitable outcomes through high-quality, affordable, person-centered care for all beneficiaries.

How else does ACO REACH differ from GPDC?

Design Element	Original Global and Professional Direct Contracting (GPDC) Model (PY2021 – PY2022)	ACO Realizing Equity, Access, and Community Health (REACH) Model (PY2023-PY2026)
Timeline	The GPDC Model originally consisted of 6 performance years (PYs), PY2021 through PY2026	The policy changes and new name (ACO REACH Model) will take effect at the start of **PY2023 and continue through PY2026**
Participants	Model participants are called Direct Contracting Entities (DCEs), but are equivalent to ACOs	Model participants referred to as 'REACH ACOs'
Governance	• **Participating providers generally must hold at least 25% of the governing board voting rights** • Each DCE's governing board must include **a beneficiary representative and a consumer advocate**, though these representatives may be the same person and neither is required to hold voting rights	• **Participating providers generally must hold at least 75% of the governing board voting rights** • Each REACH ACO governing board must include a beneficiary representative and a consumer advocate, **who must hold governing board voting rights and must be different people**

Design Element	Original Global and Professional Direct Contracting (GPDC) Model (PY2021 – PY2022)	ACO Realizing Equity, Access, and Community Health (REACH) Model (PY2023-PY2026)
Application	• **Participants began** in PY2021 or deferred to PY2022 due to the Public Health Emergency • Next Generation ACOs were able to apply for PY2022 • Application scoring criteria focused on the following five domains: (1) organizational structure; (2) leadership and management; (3) financial plan and risk-sharing experience; (4) patient centeredness and beneficiary engagement; and (5) clinical care	• **Application period opening in Spring of 2022** for participation beginning in PY2023 • New ACO REACH **application scoring criteria consider**, in addition to the five GPDC domains: ✓ Demonstrated **strong track record of direct patient care** ✓ Demonstrated record of **serving historically underserved patients** with positive quality outcomes ✓ Program integrity **risks posed by REACH ACO ownership/parent companies** • GPDC participants **must agree to meet all the ACO REACH requirements** by January 1, 2023 in order to continue participating in ACO REACH.
Quality Withhold	The quality withhold applied to the benchmarks of both Professional DCEs and Global DCEs is 5%	Quality withhold for both Professional ACOs and Global ACOs is reduced to 2%

<table>
<tr><th>Design Element</th><th>Original Global and Professional Direct Contracting (GPDC) Model (PY2021 – PY2022)</th><th>ACO Realizing Equity, Access, and Community Health (REACH) Model (PY2023-PY2026)</th></tr>
<tr><td>Discount for Global</td><td>• Global DCEs receive 100% of gross savings / losses. A discount is applied to the benchmark before gross savings / losses are calculated, which helps guarantee shared savings for CMS
• There is no discount for Professional DCEs
• Original discount levels originally planned for the benchmarks of Global DCEs:
<table><tr><th></th><th>PY2021</th><th>PY2022</th><th>PY2023</th><th>PY2024</th><th>PY2025</th><th>PY2026</th></tr><tr><td>Professional</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr><tr><td>Global</td><td>2%</td><td>2%</td><td>3%</td><td>4%</td><td>5%</td><td>5%</td></tr></table></td><td>• Reduced discount rate for Global ACOs to 3-3.5% beginning in PY2023 will further CMS's goal of increasing participation in full risk FFS initiatives.
<table><tr><th></th><th>PY2021</th><th>PY2022</th><th>PY2023</th><th>PY2024</th><th>PY2025</th><th>PY2026</th></tr><tr><td>Professional</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td><td>N/A</td></tr><tr><td>Global</td><td>2%</td><td>2%</td><td>3%</td><td>3%</td><td>3.5%</td><td>3.5%</td></tr></table></td></tr>
<tr><td>Risk Adjustment</td><td>Two policies protect against risk coding growth:
• The 'Coding Intensity Factor' (CIF) limits risk score growth across the entire model. The CIF applies to all DCEs to limit risk score growth to the average prior to the start of the model
• A 'Risk Score Growth Cap' limits a DCE's risk score growth to +/- 3% over a 2-year period. The DCE-specific caps on over-coding ensure DCEs are coding appropriately and limit gaming</td><td>Two changes to the 'Risk Score Growth Cap' further mitigate potential inappropriate risk score gains:
• Adopt a static reference year population for the remainder of the model performance period
• Cap the REACH ACO's risk score growth relative to the DCE's demographic risk score growth, so the +/- 3% cap is appropriately adjusted based on demographic changes in the underlying population over time (currently risk score cap is based on HCC growth; this would cap HCC growth relative to demographic growth)</td></tr>
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Patient Experience

Shared by a Safety Net Provider Participant

- **Beneficiary:**
  - 69-year-old African American Male with multiple chronic conditions (e.g., diabetes, heart failure), multiple ED visits
- **Care Strategy:**
  - Monthly in-home visits with a dedicated Nurse Practitioner and Social Worker;
  - Given scale to monitor weight
  - Education on appropriate use of ED
- **Outcome:**
  - Better follow up with primary care provider
  - Improved management of chronic condition
  - Decrease in ED visits

"Having this program has helped save my life"

Patient Experience

Shared by a "Standard" Participant

- **Beneficiary:**
  - Homebound, chronically ill, with daughters making decisions due to mental health status
- **Care Strategy:**
  - Monthly nurse care management calls with daughters on behalf of patient;
  - Daughter contacted nurse because father had abscessed tooth and could not find a dentist; nurse assisted and found a dentist to come to the home
- **Outcome:**
  - Beneficiary had procedure at home and recovered

Daughter expressed how much this program has helped her dad and her family and wants the nurse to keep calling.

Patient Experience

Shared by a "New Entrant" Participant

- **Beneficiary:**
  - 90-year-old, homebound, with multiple chronic conditions and requires assistance for activities of daily living; increasingly more depressed and anxious, with insomnia, poor appetite and shortness of breath
- **Care Strategy:**
  - In-person home visits, telemedicine visits, and quick phone visits conducted by two providers and a community health worker;
  - Addressed reluctance to depression medication and therapy, including helping him find a language concordant therapist, as well as hearing aid batteries and help with SSI benefits
- **Outcome:**
  - Avoided an ED visit by providing more intensive monitoring and support and building trust with patient to address his underlying condition

Fostered stronger relationship with patient and his family to work together to address his health and well being.

Model Timeline

Model Timeline

Events	Dates for Performance Period (PY) 2023
Application Period	March 7, 2022 – April 22, 2022
REACH ACO Selection	June 2022
Optional Implementation Period 3 (IP3)	August 1, 2022 – December 31, 2022
Start of Performance Year 2023 (PY2023)	January 1, 2023

This timeline may be subject to change. Please check the ACO REACH webpage for updated timelines.

Questions

Contact Information and References

ACO REACH Webpage:

https://innovation.cms.gov/innovation-models/aco-reach

ACO REACH Request for Applications:

https://innovation.cms.gov/media/document/aco-reach-rfa

ACO REACH/GPDC Comparison Table:

https://innovation.cms.gov/media/document/gpdc-aco-reach-comparison

ACO REACH Summary Graphic:

https://innovation.cms.gov/media/document/aco-reach-graphic

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