



# The ACO REACH Model: Understanding Medicare's Latest Accountable Care Model



The webinar will begin at 2:00 pm ET

# Agenda



1. Housekeeping and Introductions
2. Remarks and Presentations:
  - Clif Gaus, NAACOS president and CEO
  - Dave Ault, Ropes & Gray
  - David Pittman, NAACOS
  - Pauline Lapin, CMS Innovation Center
3. Audience Q&A





# Housekeeping



1. Speakers will present and deliver remarks for around 30 minutes.
2. Q&A will take the remainder of the time
  - You can submit written questions using the Questions tab on your dashboard to the right of your screen at any time during the webinar.
3. Webinar is being recorded
  - Slides and recording will be available on the NAACOS website within 24 hours. You will receive an email when they are available.

# Introductions



	<p><b>David Pittman</b> Senior Policy Advisor National Association of ACOs</p>
	<p><b>Clif Gaus</b> President and CEO National Association of ACOs</p>
	<p><b>Dave Ault</b> Counsel Ropes &amp; Gray</p>
	<p><b>Pauline Lapin</b> Director of the Seamless Care Models Group Center for Medicare and Medicaid Innovation</p>

## ***Timeline***

- Application period: March 7, 2022 through April 22, 2022
- Implementation Period (IP3) begins August 1, 2022
- ACO REACH will continue through 2026, the original term of GPDC

## ***Application***

- Additional information regarding ownership and control in the ACO entity
- Requires details on the backgrounds ACO executives and members of the governing body, including whether governing body have any ownership interest or controlling interests in the ACO entity
- Current DCEs do not need to apply; must become compliant with new policies

# ACO REACH – Governing Body



Two changes –

- 1) requiring that the beneficiary representative and consumer advocate are two separate individuals
- 2) increasing to 75% the representation of Participant Providers on the governing body

# ACO REACH – Health Equity



## **The ACO REACH Model includes five new policies to promote Health Equity –**

### Health Equity Plan

- Health Equity Plan that includes ACO initiatives and care plans that will increase access to – and quality of – care to underserved communities

### Benchmark Adjustment

- Based on a combination of Area Deprivation Index (percentile score from 1-100) and Dual Medicaid Status (Medicare only vs. Full or Partial Dual Eligibility)
- Top decile = upward adjustment of \$30 PBPM
- Bottom five = downward adjustment of \$6 PBPM
- Expected impact: Change in ACOs' Performance Year Benchmarks by -0.5% to +1%

## Nurse Practitioner Services Benefit Enhancement

Allows Nurse Practitioner care without physician supervision:

- 1) Certify an aligned beneficiary's need for hospice care
- 2) Certify an aligned beneficiary's need for diabetic shoes
- 3) Order and supervise cardiac rehabilitation
- 4) Establish, review, sign, and date an aligned beneficiary's home infusion therapy plan of care
- 5) Refer an aligned beneficiary for medical nutrition therapy

# ACO REACH – Health Equity



## Health Equity Data Collection Requirement

- ACOs must report certain beneficiary-reported demographic data and social determinants of health data on their aligned beneficiaries
- PY2023: upward 10 percentage point adjustment on Total Quality Score for successful reporting

## Application Scoring for Health Equity Experience

- Application score includes ACO's demonstrated ability to provide high quality care to underserved communities

## ***Discount/Withholds***

- Reduced discount for Global ACOs
  - 2023-2024: 3%
  - 2025-2026: 3.5%
- Reduced quality withhold to 2%

## ***Quality Measures and Reporting***

- Same four measures; All measures will be pay for performance
- For current DCEs –
  - 2023 start for Continuous Improvement/Sustaining Exceptional Performance (CI/SEP) criteria and High Performer Pool
- ACOs starting in 2023 –
  - 2024 start for CI/SEP and High Performer Pool

# ACO REACH – Financial Methodology



## Performance Year Benchmark

- Changes to cap on risk score growth begins in 2024
- Two changes to the cap:
  - 1) adoption of a static reference year population, and
  - 2) capping ACO risk score growth relative to ACO demographic risk score growth in determining the ACO-specific 3% risk score cap thresholds

# ACO REACH – Financial Methodology



## Stop-Loss

- Discontinuing use of a fixed attachment point
- Now “residual-based insurance” -- Innovation Center will risk-adjust attachment points to reflect beneficiary risk scores and benchmarks

## Audits/Monitoring

- More comprehensive review of ACO operations, including review of coding practices

# NAACOS ACO REACH Coalition



***Dedicated to promoting shared learning and advocating on behalf of Medicare's newest value-based payment model***

- Stand-alone [webpage](#) with CMS and NAACOS resources
  - NAACOS [Summary](#) of ACO REACH Model
- Will provide in-depth resources and education
  - Webinars, resources, in-person conference sessions
- We've set up an ACO REACH Listserv. You must sign up first and can do so [here](#).
- Current NAACOS members will enjoy all of the benefits of the new coalition.

- NAACOS has been a supporter of CMMI's ACO models
  - [Statement](#) on goal to have patients in an accountable care relationship by 2030
- We sent [several letters](#) detailing updates to the ACO REACH Model
- NAACOS and others sent [a letter](#) last month with 222 signatures, urging HHS Sec. Becerra to fix, not end, GPDC
  - This follows a Dec. 16 NAACOS [letter](#) to CMS voicing [support](#) for provider-led DCEs
- NAACOS [Statement of Support](#) for New ACO REACH Model
- We continue to meet with offices on Capitol Hill to stress the importance of Medicare payment reform and educate them on the benefits this model brings to patients and our health system

Several changes are included in ACO REACH that NAACOS asked for:

- Keeps CMMI's premier ACO model with a new name to better reflect how it is part of the evolution of accountable care
- Expresses a commitment to provider-led organizations and value-based care
- Allows a 2023 cohort
- Permanently cancels Geographic Direct Contracting
- Reduces the discount in the global risk option
- Places more emphasis on equity, which NAACOS has devoted [attention](#) to and provided [recommendations](#) on how to address in ACOs
- Increases provider and patient participation on governing boards

# Questions



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