ACO/MSSP CMS to Increase Participation in the Shared Savings Program

The Centers for Medicare & Medicaid Services (CMS) issued a proposed rule on December 1, 2014, to improve the Medicare Shared Savings Program (MSSP). The changes will take effect in 2016 and aim to improve the rules and regulations of the overall program. The proposed rule will affect all accountable care organizations (ACOs) considering MSSP and those already participating in the program. Specifically, the proposed rule focuses on the following: beneficiary assignment, data sharing, risk models, eligibility requirements, participation agreement renewals, and compliance and monitoring. CMS opened a 60-day comment period to allow ACOs to comment on the proposed rule, which CMS closes on February 6, 2015, to develop the final regulations of the program.

To continue the success of the program, CMS aims to increase participation rates by adding policies that address the transition to risk, reducing risk under the current model, and adoption of performance risk-based options. Given these changes, CMS predicts an increase in total shared savings and a decrease in shared losses. In addition, expansion of the program highlights a wider focus on care coordination and quality improvement among providers and organizations to improve quality and efficient care delivery to Medicare beneficiaries.

CMS proposed the following changes:

Continued Participation in Track 1

CMS proposes to allow ACOs one additional agreement period, under Track 1, to participate in the one-sided risk model (shared savings but no financial loss). This action will encourage the performance risk continuum. However, participation will be at a lower sharing rate than the previous agreement period. The new rule proposes that ACOs must transition to a two-sided risk model (shared savings and financial loss) after the one additional agreement period in Track 1.

Encourage ACOs to Take On Greater Performance Based Risk

CMS proposes to encourage ACOs to progress along the performance risk continuum by improving certain aspects of the MSSP to increase options. CMS is proposing to implement an additional performance risk-based model (Track 3) for ACOs. Track 3 would offer higher sharing rates than Tracks 1 and 2 and would prospectively assign beneficiaries to the ACO. In addition, CMS proposes to modify Track 2 to increase the appeal by adjusting minimum savings and loss rates instead of a flat two percent.

Establishing, Updating and Resetting ACO Financial Benchmarks

CMS aims to develop new methodologies for calculating loss that are more objective and less dependent on ACO historical data. One example is that CMS proposes to use regional instead of national fee-for-service (FFS) expenditures and costs data. The gradual transition would

allow CMS to make cost benchmarks more dependent on the ACO's success relative to the local market.

Participating Agreement Renewals and Requirements

In efforts to streamline the application process and lower technical rejections, CMS proposes that the rule add requirements to standardize the ACO participation agreements. CMS proposes to require that the participation agreement 1) is only between the ACO and the ACO participant; 2) is signed by authorized individuals; 3) includes a mandate that an ACO provider/supplier bill through the ACO's taxpayer identification number; 4) provides a description of how the opportunity to receive shared savings or other financial agreements will encourage the ACO participant to adhere to the quality assurance and improvement program and evidence-based medicine guidelines; and 5) is at a minimum term of one year. In addition, to reduce additional work or burden, participants would be required only to submit renewal requests instead of an entire application upon expiration.

Beneficiary Assignment

Under the current model, beneficiaries are assigned to ACOs in two steps: In Step 1, a beneficiary must see a primary care physician; and in Step 2, they must be seen by a specialist physician, nurse practitioners, physician assistants, and clinical nurse specialist. CMS proposes to revise Step 1 to include nurse practitioners, physician assistants and clinical nurse specialists due to their abilities to provide primary care services. However, specialty types that are not likely to perform primary care services would be removed.

Data Sharing

CMS proposes to streamline the process and decrease the costs for ACOs to collect the directly identifiable beneficiary claims data. This data is vital for their health care operations while preserving the opportunity for beneficiaries to decide to have their claims data shared with the ACO. ACO participants would provide written notification at the point of care including language pertaining to data sharing and the opportunity to decline sharing. Beneficiaries would communicate directly with CMS (1-800-Medicare) about their preference for data sharing rather than through the ACO. This action will eliminate paperwork and excess waste from the model.

Eligibility Requirements

CMS proposes modifications to the eligibility requirements for ACO participation, including requirements for additional/removal of entities or individuals from the participant and provider/supplier lists and increased flexibility for governing bodies and leadership requirements.

Reporting and Transparency

CMS proposes adding reporting requirements and the mandatory use of a template for ACOs to report and share public information.

Termination

CMS proposes to add closing procedures for nonrenewal ACOs, as well as details surrounding the termination of an ACO from the MSSP.

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