

# CMS Releases New ACO Model

The Affordable Care Act (ACA) encouraged doctors, health care providers,



and other medical professionals to participate in Accountable Care Organizations (ACOs), which are groups of medical professionals and healthcare providers that voluntarily unite to offer comprehensive treatment to Medicare beneficiaries. Specifically, the Medicare Shared Savings Program ("MSSP") was designed for Medicare fee-for-service participants to transition into the ACO model. ACOs and the MSSP were developed to both improve care for patients and ensure healthcare dollars were allocated more efficiently. After the initial 3 years of experience with MSSP, the Centers for Medicare & Medicaid Services ("CMS") unveiled an updated MSSP for ACOs that provides both financial risks and rewards and seeks to improve upon the program based upon lessons learned during the initial phase. **Next Generation ACO Model** The Next Generation ACO Model was developed to offer participants additional financial rewards, as well as risks, as an incentive for those committed to the program. The Next Generation ACO Model is meant to encourage greater beneficiary participation, while it retains specific patient protections to ensure patients have access to and receive high-quality care. Furthermore, ACOs participating in this model will be evaluated on a strict scale, with success depending on the group's ability to deliver high-quality care for Medicare beneficiaries, improved health for the population at large, and smaller growth in healthcare expenditures. This development is meant, in part, to run in accordance with the new approach taken towards our country's health by the Department for Health and Human Services, which touts "Better, Smarter, Healthier" delivery of health care services. **Participating in the Next Generation ACO Model** Based upon the design of the risks and rewards associated with the Next Generation ACO Model, the Centers for Medicare & Medicaid Services initially expects a collection of 15 to 20 "experienced" ACOs to take part in this new program. Interested groups should submit a letter of intent by May 1st, and an application within the following month. This new model may be an excellent choice for current or potential ACOs to increase their rewards while simultaneously improving the coverage they offer to their patients. Our health care group attorneys have experience with ACOs both in the context of the MSSP and with respect to relationships with commercial payers. If you participate in an ACO, are considering ACO participation, or simply have questions about the pros and cons of ACO participation, feel free to contact one of our health care group attorneys. Image: Thinkstock/dolgachov \*This article is very general in nature and does not constitute legal advice. Readers with legal questions should consult with an attorney prior to making any legal decisions.