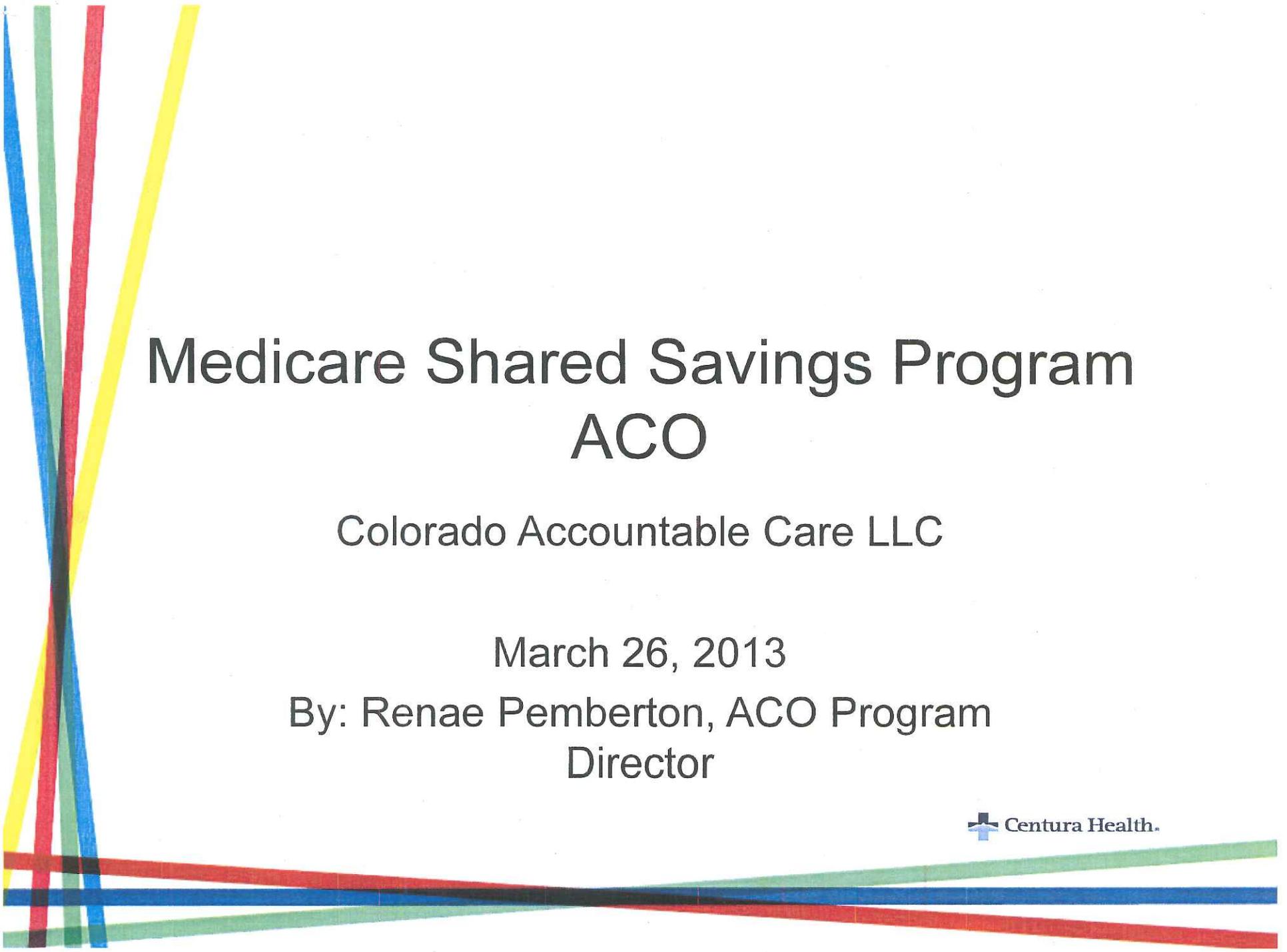




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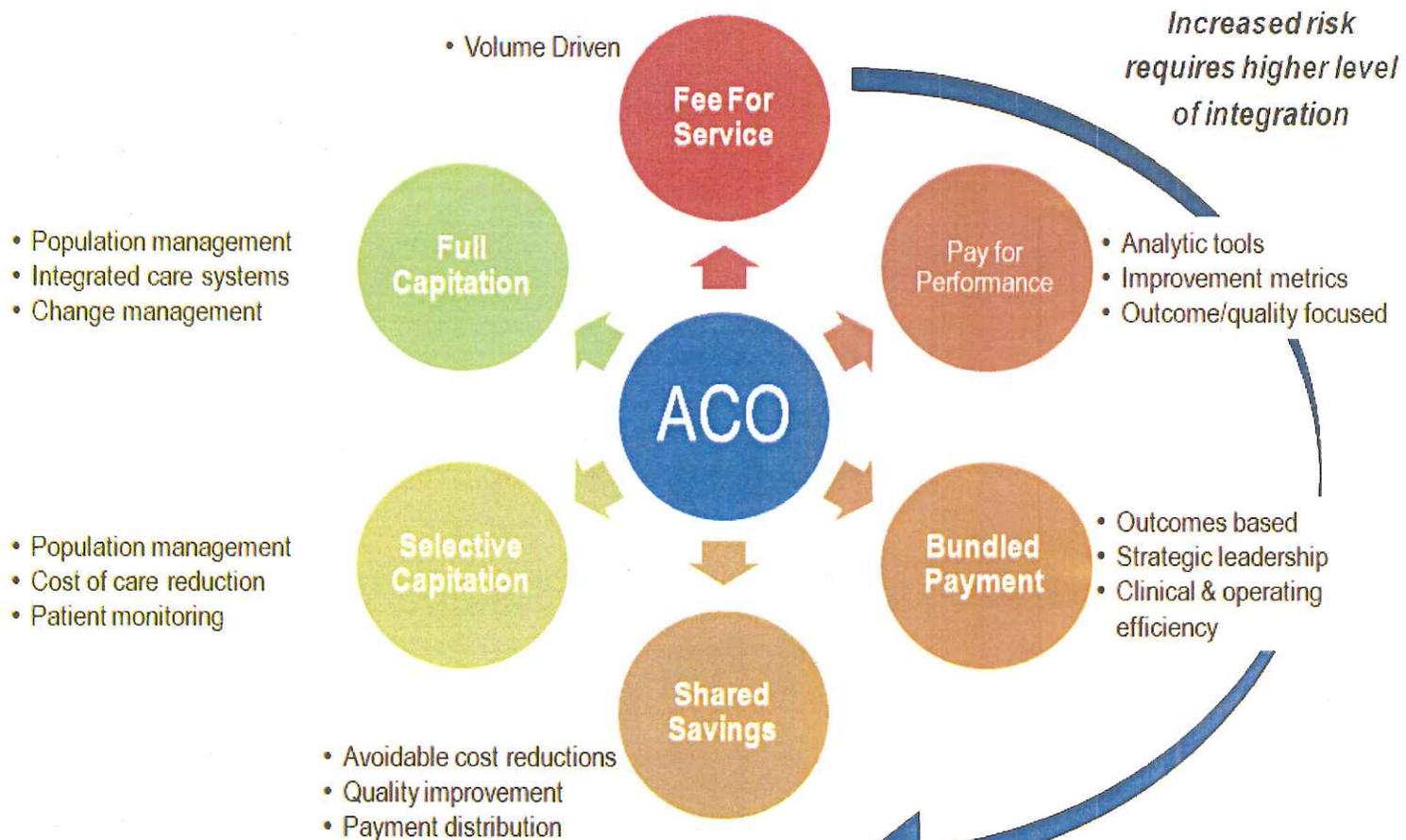
Medicare Shared Savings Program ACO

Colorado Accountable Care LLC

March 26, 2013

By: Renae Pemberton, ACO Program
Director

Accountable Care is a delivery and payment model at the core of payment reform



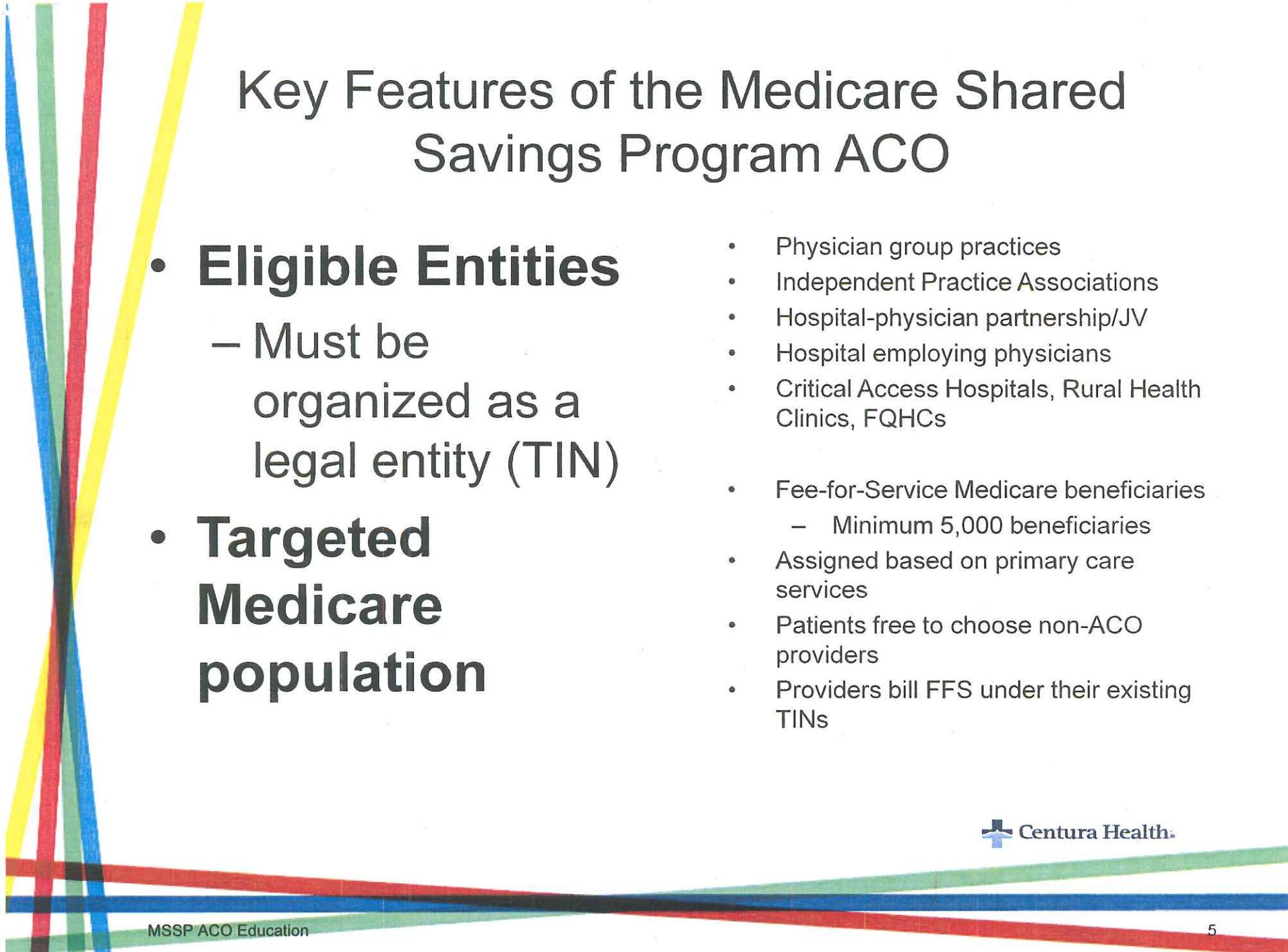
MSSP SHARED SAVINGS MODEL

Two Shared Savings Options

1. One-Sided: Share of savings only, no downside risk
 - › Eligible for up to 50 percent of shared savings
 - › Total savings achieved may not exceed 10 percent
 2. Two-Sided: Share of savings and losses, applicant must prove ability to pay losses
 - › Eligible for up to 60 percent of shared savings
 - › Total savings achieved may not exceed 15 percent
- } First 3 Years

Eligibility for Shared Savings

1. Must meet minimum savings targets
 - › Sliding scale based on the number of ACO beneficiaries
2. Amount of shared savings depends on performance on 33 quality measures
 - › Year 1: ACO must report accurate and complete quality measures
 - › Year 2: CMS calculates performance on 25 measures, and 8 will be reporting only
 - › Year 3: CMS calculates performance on 32 measures, and one will be reporting only



Key Features of the Medicare Shared Savings Program ACO

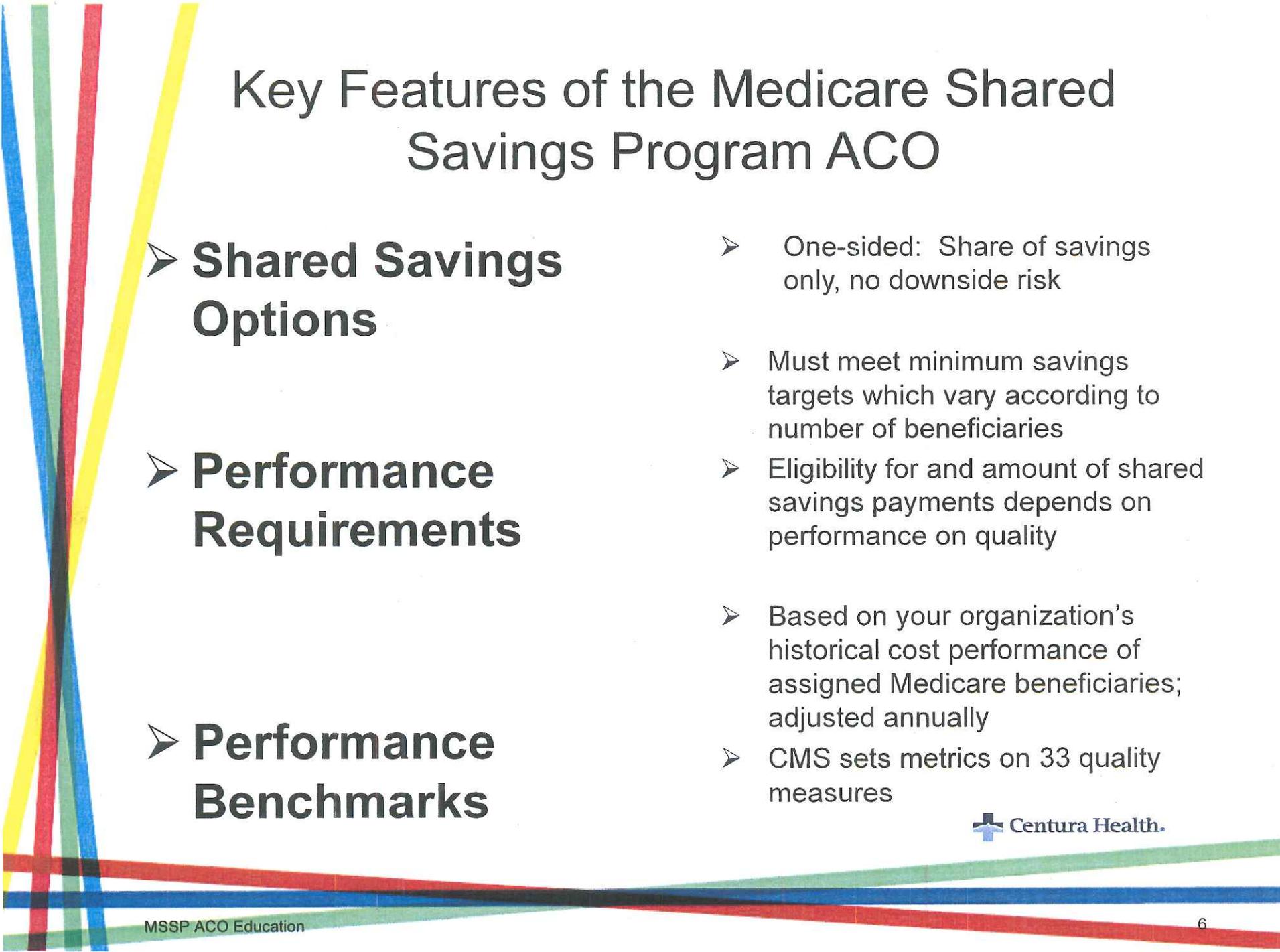
- **Eligible Entities**

- Must be organized as a legal entity (TIN)

- **Targeted Medicare population**

- Physician group practices
- Independent Practice Associations
- Hospital-physician partnership/JV
- Hospital employing physicians
- Critical Access Hospitals, Rural Health Clinics, FQHCs

- Fee-for-Service Medicare beneficiaries
 - Minimum 5,000 beneficiaries
- Assigned based on primary care services
- Patients free to choose non-ACO providers
- Providers bill FFS under their existing TINs



Key Features of the Medicare Shared Savings Program ACO

➤ Shared Savings Options

- One-sided: Share of savings only, no downside risk

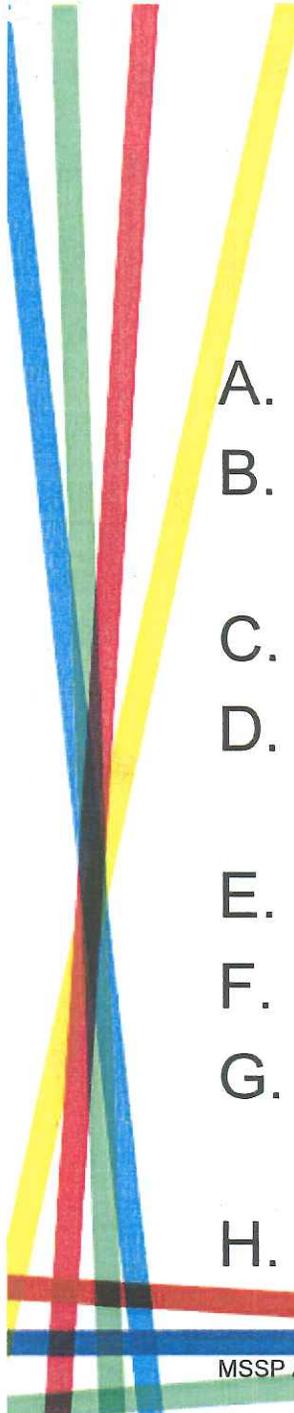
➤ Performance Requirements

- Must meet minimum savings targets which vary according to number of beneficiaries
- Eligibility for and amount of shared savings payments depends on performance on quality

➤ Performance Benchmarks

- Based on your organization's historical cost performance of assigned Medicare beneficiaries; adjusted annually
- CMS sets metrics on 33 quality measures





Application Components

- A. Organization Overview (legal entity, start date)
- B. Legal Requirements (type of entity, TIN, Shared Savings track, etc.)
- C. Governance and Leadership
- D. Participation in Other Medicare Shared Savings Initiatives (cannot)
- E. Financial
- F. Provider Information
- G. Data Sharing (demonstrate HIPAA compliance, data security)
- H. Required Processes and Patient-Centeredness  Centura Health.



Legal Requirements

- ACO is a distinct, separate legal entity with its own TIN
 - Receives and distributes shared savings, if achieved
 - Has its own governing body and leadership
 - ACO participants continue to bill for FFS Medicare-covered services through their organization's TINs

Ours is 'Colorado Accountable Care LLC' (CAC)





Governance and Leadership

Designated governance and leadership structure focused solely on the ACO

- Governance
 - Composition must include 75 percent ACO participants
 - Must include at least one Medicare beneficiary
 - Board has power to hold ACO participants accountable
- Leadership
 - Designated leadership to the Shared Savings ACO, including Executive and Medical Director

Financial

Requires applicant to describe the methodology for distributing any shared savings

- Distribution among categories of ACO participants – e.g., physicians, hospitals
- Distribution to individual participants
- Financial projections are not required in the application



"We hoped you'd respond more enthusiastically to our incentive program."



Provider Information

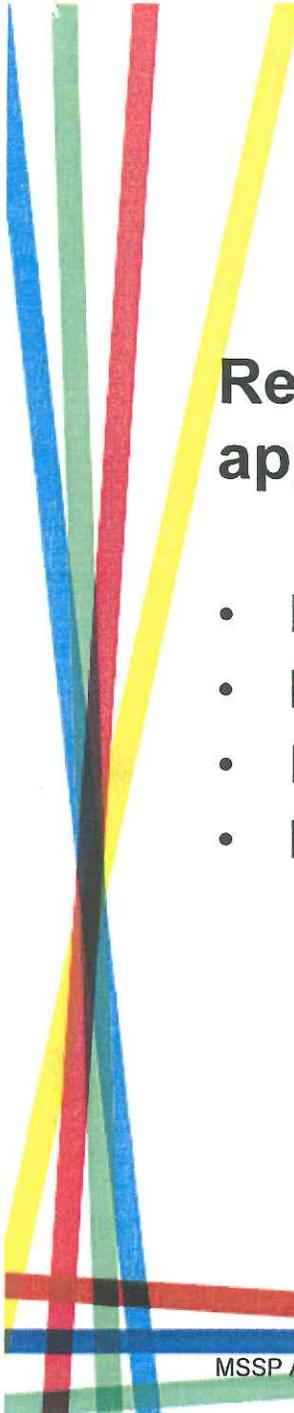
Requires listing of ACO participating providers according to billing TIN

- Physicians in group practices that are ACO participants automatically become participating providers under the group's TIN
- The entity TIN determines provider participation

Provider network

- Beneficiary assignment is based on physicians who provide the majority of a patient's primary care
 - PCPs provide primary care
 - Some specialists provide primary care, e.g., cardiologists





Required Processes and Patient-Centeredness

Requires detailed narratives on the ACO's approaches to:

- Evidence-based medicine
- Beneficiary engagement
- Internal reporting and quality and cost metrics
- Promoting coordination of care



Colorado Accountable Care (CAC)

Colorado Accountable Care is a key demonstration of Centura Health's commitment to getting different and delivering value.

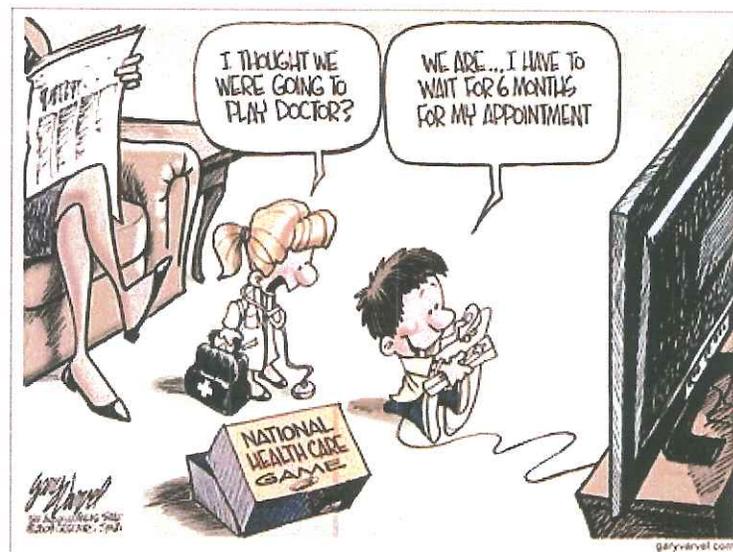
Succeeding in this initiative will require us to achieve the three tenets of Centura's 2020 strategic plan that directs our ministry to strengthen our foundation, create systems of care and move upstream to manage health.

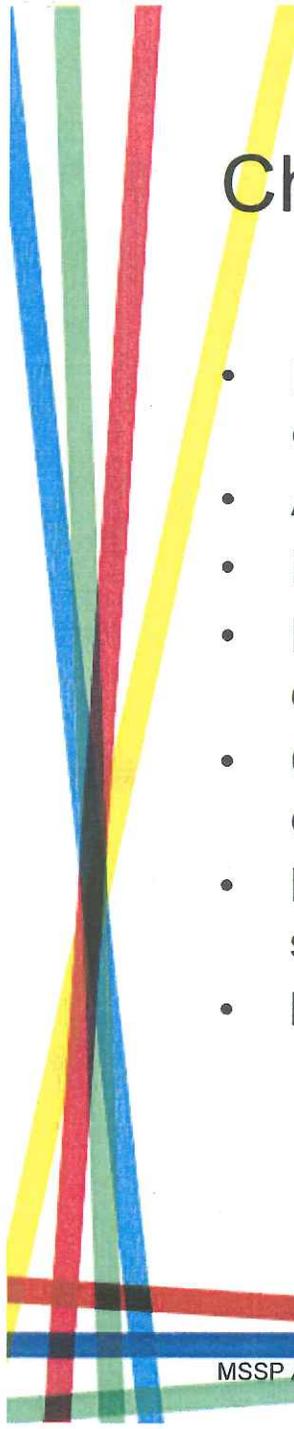
Colorado Accountable Care (CAC)

The goal of the ACO is to ensure that patients get the right care at the right time.

We will be monitoring and reporting results on quality of care to Medicare.

All of CHPG is participating in CAC, as are all of Centura's hospitals.





Challenges of a Medicare ACO

- Building loyalty among patients who are free to seek care outside of the ACO network
- Avoiding multiple, potentially conflicting shared savings contracts
- Ensuring consistent care models at the point of care
- Instituting practice-based resources to support patient-centered care
- Clinical leadership to educate physician practices on accountable care
- Balancing utilization reductions with efficiency gains and shared savings
- Making strategic choices on market alliances

“This isn't our strategy for Medicare; this is just our strategy”

*Dr. Timothy Ferris, Medical Director
Mass General Physicians Organization*





Colorado Accountable Care (CAC)

QUESTIONS??

Thank you

