

MSSP ACO

MISSISSIPPI HOSPITAL ASSOCIATION SPONSORED ACO

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MHA SPONSORED ACO - AGENDA

- General information on MSSP - ACOs
- Past and current legislation surrounding ACOs
- One sided risk versus partial risk
- Benefits of MSSP ACO
- ACOs in Mississippi
- Why MHA started a State-wide ACO and its current status
- Development of large Clinically Integrated Network (CIN)
- Future of MSSP ACOs

General Information on MSSP ACO

- Medicare Shared Savings – Accountable Care Organization
- Over 700 MSSP ACOs in the Country
- Established to help CMS save cost, improve quality and move away from Fee For Service under the pretense of Population Health.
- Based on a theory, if your ACO can reduce cost while improving quality, CMS will share those savings with the ACO.
- To incentivize providers to get into ACOs CMS has created several benefits you can only get inside an ACO.

Past and Current Legislation Surrounding ACOs

- In August 2018 CMS made sweeping changes to the MSSP ACO program.
- Under old regulations you could have up to 6 years of one sided risk (no risk) under Track 1 Program.
- Under new regulations if you are a new ACO you can have only 2 years one sided risk before taking on risk.
- Old rules ACO's received up to 50% of shared savings under new rules in Basic Model you only get 25% of shared savings.
- Both old and new regulations have MIPS reporting benefits and waivers from Stark Law requirements.
- Old regulations have several models: Track 1, Track 2, Track 3 and Track 1+. New regulations have two models: Basic and Enhanced.

One Sided Risk Versus Partial Risk

- One sided risk basically means you only share in the savings and you have no obligations in losses to CMS with the attributed Medicare lives within your ACO.
- Under the new federal regulations 2 years is not enough time to get established a solid ACO before you take on risk.
- Large percentage of existing ACOs have stated that if forced into risk they will get out of the MSSP ACO.
- CMS is considering additional changes to the regulations especially in Rural areas.

Benefits of MSSP ACO

- Everything is moving away from fee-for-service to value based and population health to help control health care spending and improve quality.
- Pushes quality, reduces cost and burden of reporting MIPS and can increase MIPS payments while avoiding possible penalties. (Merit-Based Incentive Payment System)
- Increase clinic revenue by performing population health such as AWW (Annual Wellness Visits), CCM (Chronic Care Management) and TCM (Transitional Care Management).
- Increase Hospital revenue by reducing readmissions and increasing outpatient volumes through screenings and preventative measures.(i.e. mammograms, G. I. test, labs and others).
- Cutting cost does not mean harming healthcare by reducing cost, it is about helping to eliminate unnecessary admissions and spending.
- Inside an ACO you can get waivers from Stark Laws.
- Your organization gets to see the Medicare spend for all your Medicare attributed lives. This helps you see where they go and what they need.
- Data! Data! Data! Payers have data and providers don't. With data we can better negotiate with payers and possibly eliminate payer.

ACOs in Mississippi

- Currently around 8 MSSP ACOs operating in Mississippi.
- Large part of rural Mississippi not included.
- Must have 5,000 Medicare lives to establish an ACO.
- Concerns that those rural areas could be blocked out of participating in MSSP ACO.

Why MHA Started a State-wide ACO and its Current Status

- Due to the possibility that the rural parts of our State might get blocked out MSSP ACO the decision was made to sponsor a State-wide ACO.
- The plan was established and executed with hopes to have over 60,000 Medicare lives to reduce the floor for shared savings from 3.9% down to 2%.
- MHA partnered with Caravan Health to establish this State-wide ACO.
- Caravan Health already had a presence in Mississippi and expertise to help with this large undertaking.
- Due to relationship with Caravan Health we were able to get into 2018 Track 1 ACO that is under the old regulations that has 2 years remaining in a 3 year contract with CMS. This will allow our ACO several benefits: 1) we get 2 years of one sided risk before we have to decide about CMS new models and we are hoping there will be changes before making the transition 2) we have 2 years of 50% shared savings versus 25% under current regulations.
- Today we have 27 hospitals in Mississippi participating in the MHA sponsored MSSP ACO with an estimated 69,000 Medicare lives. 11 of those hospitals are CAHs and 6 additional hospitals that are less than 50 beds.
- The MHA sponsored ACO will be a stand alone L.L.C. owned and operated by participating hospitals. Each hospital participating will have a seat on the board of the ACO.

Development of Large Clinically Integrated Network (CIN)

- The ACO itself becomes a Clinically Integrated Network (CIN) and contracting with other ACOs in the State creates a large in State CIN.
- The CIN would give you data on a larger scale. The more data you have helps you to move toward risk and the more lives you have the better you can mitigate the risk.
- CIN can negotiate managed care and commercial payer contracts for everyone inside the CIN.
- Data! Data! Data!

Future of MSSP ACOs

- Who Knows! But it seems to be the instrument as we move forward.
- Once you have Medicare patients working well you can move into managed care Medicare plans and commercial plans.
- Large employers are already moving away from payers and working directly with providers and Medicare is looking at doing that as well. This would help position Mississippi to move into the future.
- Mississippi is last in the Nation on all healthcare measurements. This endeavor could improve the health of our citizens and lift our State from the bottom.

QUESTIONS?