

More partnerships between doctors and hospitals strengthen coordinated care for Medicare beneficiaries

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More partnerships between doctors and hospitals strengthen coordinated care for Medicare beneficiaries 123 New Accountable Care Organizations Join Program to Improve Care for Medicare beneficiaries

Doctors, hospitals and other health care providers have formed 123 new Accountable Care Organizations (ACOs) in Medicare, providing approximately 1.5 million more Medicare beneficiaries with access to high-quality coordinated care across the United States, Health and Human Services Secretary Kathleen Sebelius announced today.

Doctors, hospitals and health care providers establish ACOs in order to work together to provide higher-quality coordinated care to their patients, while helping to slow health care cost growth. Since passage of the Affordable Care Act, more than 360 ACOs have been established, serving over 5.3 million Americans with Medicare. Beneficiaries seeing health care providers in ACOs always have the freedom to choose doctors inside or outside of the ACO. ACOs share with Medicare any savings generated from lowering the growth in health care costs when they meet standards for high quality care.

"Accountable Care Organizations are delivering higher-quality care to Medicare beneficiaries and are using Medicare dollars more efficiently," Secretary Sebelius said. "This is a great example of the Affordable Care Act rewarding hospitals and doctors that work together to help our beneficiaries get the best possible care."

"This program puts the control in the hands of physicians and allows them to take the lead in an innovative way to deliver the right care to the right patient at the right time," said Kelly A. Conroy, executive director of the Palm Beach ACO and South Florida ACO. "We are honored to be a Medicare Shared Savings Program Accountable Care Organization, and after 18 months in the program, can proudly say that we have seen measurable success. We are so impressed with our participating physicians' enthusiasm towards the cultural shift, and it demonstrates that physicians are primed for the future of medicine."

The ACOs must meet quality standards to ensure that savings are achieved through improving care coordination and providing care that is appropriate, safe, and timely. The Centers for Medicare & Medicaid Services (CMS) evaluates ACO quality performance using 33 quality measures on patient and caregiver experience of care, care coordination and patient safety, appropriate use of preventive health services, and improved care for at-risk populations.

The new ACOs include a diverse cross-section of health care providers across the country, including providers delivering care in underserved areas. More than half of ACOs are physician-led organizations that serve fewer than 10,000 beneficiaries. Approximately 1 in 5 ACOs include community health centers, rural health clinics, and critical access hospitals that serve low-income and rural communities.

Affordable Care Act provisions have a substantial effect on reducing the growth rate of Medicare spending. Growth in Medicare spending per beneficiary hit historic lows during the 2010-2012 period, and this trend has continued into 2013. Projections by both the Office of the Actuary at CMS and the Congressional Budget Office estimate that Medicare spending per beneficiary will grow at approximately the rate of growth of the economy for the next decade, breaking a decades-old pattern of spending growth outstripping economic growth.

The next application period for organizations interested in participating in the Shared Savings Program beginning January 2015 will be in summer 2014.

More information about the Shared Savings Program, including previously announced ACOs, is available at: <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/News.html>.

For a list of the 123 new ACOs announced today, visit: <http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/Downloads/2014-ACO-Contacts-Directory.pdf>.

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