



# Accountable Care Organizations (ACOs)



AMERICAN ACADEMY OF  
FAMILY PHYSICIANS

STRONG MEDICINE FOR AMERICA

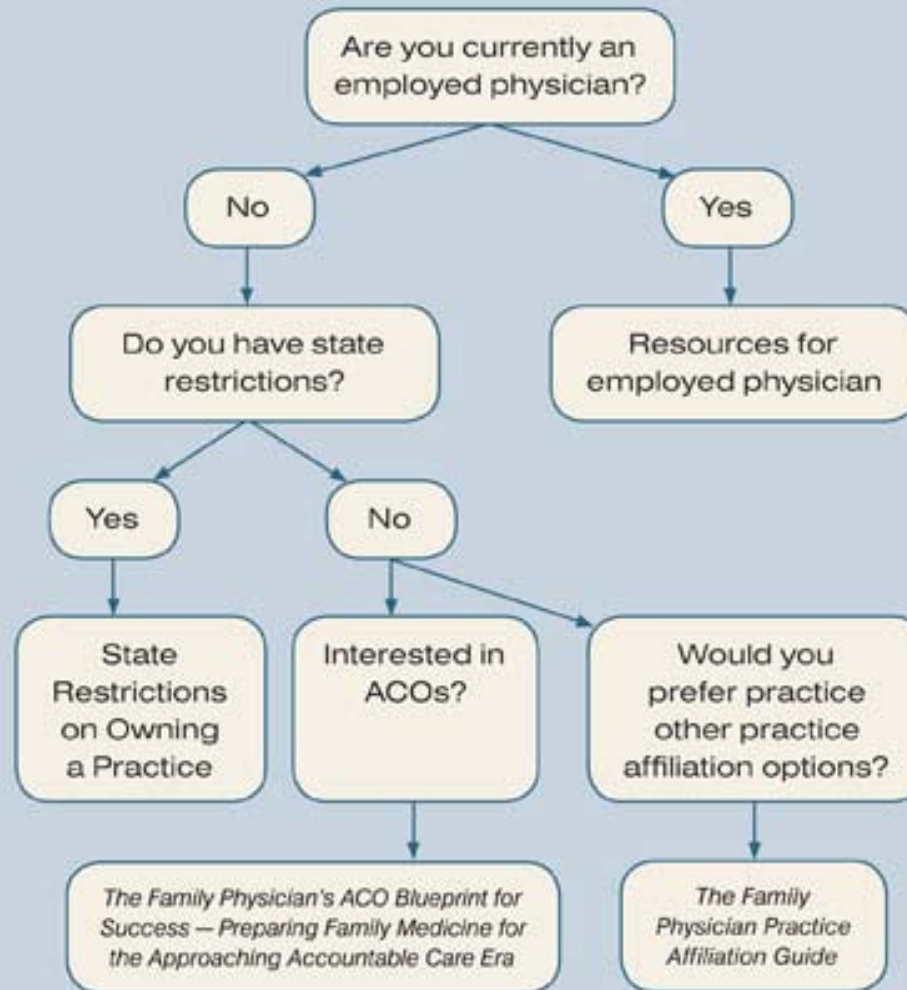


# What is an Accountable Care Organization (ACO)?

The ACO payment reform model provides a major opportunity to move overall provider payment from being volume-based to a more value-based approach, but attention to payment mechanisms within the ACO are equally important, especially to ensure this model facilitates reform of payment for primary care and the PCMH.

PCPCC Payment Reform Task Force 2/11/11

## Resources for the Family Physician in today's ACO Climate



"ACOs will not be successful if they are not based on primary care and the patient-centered medical home, because that's where we're going to get the care coordination, cost savings and quality of care that we're all interested in."



Lori Heim, M.D., AAFP Board Chair



# Joint Principles for Accountable Care Organizations

The AAFP, the American Academy of Pediatrics, the American College of Physicians and the American Osteopathic Association -- released their

[Joint Principles for Accountable Care Organizations.](#)

According to the document, an ACO should provide accessible, effective, team-based care based on the Joint Principles of the Patient-Centered Medical Home. In addition, the ACO principles say an ACO should deliver culturally proficient and patient- or family-centered health care.



# Joint Principles for Accountable Care Organizations

The AAFP, AAP, ACP and AOA have sent their joint principles to the Centers for Medicare and Medicaid Services' (CMS) to encourage their use as CMS outlines ACO demonstration projects, as well as to guide related ACO activities offered through the newly established CMS Center for Medicare and Medicaid Innovation.

# Joint Principles for ACOs

How should an ACO be structured?





# Structure of the ACO

- Team-based integrated care that is committed to improving the health of the population served and provide wellness incentives.
- Strong leadership and all relevant clinical, legal, and administrative processes within ACOs are clearly defined and transparent.
- Use accepted, reliable and validated clinical measures to measure performance and efficiency and evaluate patient experience and implement clinically integrated information systems to provide relevant information at the point of care and assist in care coordination.
- Barriers to small practice participation are addressed and eliminated and are protected from antitrust and similar laws that currently restrict the ability of providers to coordinate care and collaborate on payment models.
- They promote processes to reduce administrative complexities and related unnecessary



# Joint Principles for ACOs

The joint principles for ACOs must also lay out guidelines on payment models and incentives. They should commit to pay for PCMH infrastructure and performance.

A large, light blue watermark of the American Academy of Family Physicians (AAFP) logo is visible on the left side of the slide. It features a stylized figure holding a staff with a snake, a symbol of medicine.

# AAFP ACO Task Force

The AAFP Board of Directors established an **AAFP Accountable Care Organization Task Force** to study the Accountable Care Organization topic and provide a report to the Board for consideration at its October 2009 meeting.

The AAFP task Force relied heavily on the work by Dr. Harold Miller and the Center for Healthcare Quality and Payment Reform(CHQPR).



# Center for Healthcare Quality and Payment Reform (CHQPR)

The CHQPR recognizes the need to change the traditional payment options in healthcare. Payment reforms that provide greater flexibility and accountability for the costs and quality of care than typical pay-for-performance, shared savings, and medical home programs, but which avoid forcing providers, particularly small physician practices, to take on more financial risk than they can manage or to take accountability for services they cannot effectively control (as traditional capitation systems or full episode-of-care payment systems can require).



# CHQPR

Since providers in different parts of the country differ dramatically in terms of size, clinical and corporate integration, and skills in managing costs, there is no single definition of “Accountable Care Organization” that will work everywhere.



# So What Can You Do?

Consider what the first word in ACO actually means. To be successful, we need to be accountable and to do that we need to measure, but what? What are your top targets?



# What Can You Do?

Accountable care absolutely must be about improving and maintaining the health of a population of patients and not just controlling costs. It must be about proactive and preventative care and not reactive care. It must be about outcomes and not volume or processes. It must be about leveraging the value of primary care and the elements of the **Patient-Centered Medical Home.**



# Be Involved

Get involved in the medical community, what is going on in and how will it impact you?



# Leadership Champion

For successful change process,  
including the Medical Home it  
requires someone to lead it.  
Otherwise you will just get lost in  
the process.



# Before Making Any Decisions:

- Consider all options!
- Weigh these options carefully before deciding.
- Consider what is going on in the community?
- Need legal advice?



# What is the AAFP Doing?

- Advocacy
- Chapter Collaboration project
- 2 papers
- Resources on website
- Articles and providing current and relevant material to members



# Chapter Collaboration

- 6 Chapters working with the AAFP
  - Development of 2 papers
  - Additional resources for website
  - Collection of resources to be sent to Chapters for their use.



# New to AAFP

- The Family Physician Practice Affiliation Guide
- The Family Physician ACO Blueprint for Success
- Additional resources on the website



# Advocacy

- AAFP Accountable Care Organization Task Force Report
- Joint Principles for Accountable Care Organizations
- Patient-Centered Primary Care Collaborative Center for Accountable Care
- Responding to CMS



# Stay Tuned

Healthcare Reform is a moving target right now. Keep monitoring your Chapter and the AAFP for new information.

# Helpful AAFP links

## ACO Task Force

[http://www.aafp.org/online/etc/medialib/aafp\\_org/documents/policy/private/healthplans/payment/acos/acotfreport.Par.0001.File.dat/AAFP-ACO-Report-NoRecs-20091010.pdf](http://www.aafp.org/online/etc/medialib/aafp_org/documents/policy/private/healthplans/payment/acos/acotfreport.Par.0001.File.dat/AAFP-ACO-Report-NoRecs-20091010.pdf)

## Center for Healthcare Quality & Payment Reform

<http://www.aafp.org/online/en/home/practicemgt/mgmt.html?navid=practice+management>  
advocacy

<http://www.aafp.org/online/en/home/policy/federal/issues/reform.html>

The development of resources on how healthcare reform has impacted the practice

<http://www.aafp.org/online/en/home/practicemgt/reform.html>

## Medical Home

<http://www.aafp.org/online/en/home/membership/initiatives/pcmh.html>

## Resources on selling a practice

<http://www.aafp.org/online/en/home/practicemgt/mgmt/selling.html>

## Considerations when closing or moving a practice

<http://www.aafp.org/online/en/home/practicemgt/mgmt/closing.html>

## Financial resources

<http://www.aafp.org/online/en/home/practicemgt/specialtopics/financialissues0.html>

## Leadership development

<http://www.aafp.org/online/en/home/practicemgt/specialtopics/leadershipdevelopment.html>

## Staff resources

<http://www.aafp.org/online/en/home/practicemgt/specialtopics/stafftrainingandresources.html>