New hospitals and health care providers join successful, cutting-edge federal initiative that cuts costs and puts patients at the center of their care

Medicare accountable care organization initiatives to improve how the health system cares for patients

On January 11, 2016, the Centers for Medicare & Medicaid Services (CMS) announced 121 new participants – representing 49 states and the District of Columbia – in an innovative initiative – Medicare Accountable Care Organizations (ACO’s) – designed to improve the care patients receive in the health care system and lowers costs.

Whitefish, MT – North Valley Hospital was selected as one of 100 new Medicare Shared Savings Program Accountable Care Organizations (ACOs), providing Medicare beneficiaries with access to high-quality, coordinated care across the United States, the Centers for Medicare & Medicaid Services (CMS) announced on January 11, 2016. That brings the total to 434 Shared Savings Program ACOs serving over 7.7 million beneficiaries.

North Valley Hospital was also selected to participate in the ACO Investment Model (AIM) which was designed to encourage ACO formation in low penetration and rural locations. This model provides ACOs access to the capital to invest in the infrastructure necessary to successfully implement population care management. All AIM ACOs also participate in the Shared Savings Program. Participating in both programs provides ACOs with additional resources to achieve lower costs and higher quality of care for beneficiaries.

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. North Valley Hospital will be one of 434 ACOs participating in the Shared Savings Program as of January 1, 2016. Beneficiaries seeing health care providers in ACOs always have the freedom to choose doctors inside or outside of the ACO. ACOs receive a portion of the Medicare savings generated from lowering the growth in health care costs as long as they also meet standards for high quality care.

“People across America are going to be better cared for when they go to their health care providers, because these hospitals and providers have made a commitment to innovation, a commitment to change how they do business and care for patients,” HHS Secretary Sylvia Matthews Burwell said. “Medicare, and the health care system as a whole, is moving toward paying providers based on the quality, rather than just the quantity of care they give patients. The three new ACO initiatives that are being launched on January 11, 2016 mark an important step forward in this effort.”

Since ACOs first began participating in the program in early 2012, thousands of health care providers have signed on to participate in the program, working together to provide better care to Medicare’s seniors and people with disabilities. The new and renewing ACOs will bring approximately 15,000 additional physicians into the ACO program starting January 1, 2016.

ACOs are delivering better care, and they continue to show promising results on cost savings. In 2014, they had a combined total net program savings of $411 million for 333 Medicare Shared Savings Program (Shared Savings Program) ACOs and 20 Pioneer ACOs. Based on 2014 quality and financial performance results for Shared Savings Program ACOs who started the program in 2012, 2013, and 2014, ACOs that reported in both
2013 and 2014 improved on 27 of the 33 quality measures, including patients’ ratings of clinicians’ communication, beneficiaries’ rating of their doctors, screening for tobacco use and cessation, screening for high blood pressure, and Electronic Health Record use. Shared Savings Program ACOs also outperformed group practices reporting quality on 18 out of 22 measures.

Ultimately, the January 11, 2016 announcement is about delivering better care, spending dollars more wisely, and having healthier people and communities. ACOs drive progress in the way care is provided by improving the coordination and integration of health care, and improving the health of patients with a priority placed on prevention and wellness.

More information about the Shared Savings Program is available at https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/index.html?redirect=/sharedsavingsprogram/

For a list of the new and renewing ACOs announced on January 11th, visit the Shared Savings Program News and Updates webpage: https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/News-and-Updates.html.

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