

ALIGNING PAYMENT WITH QUALITY: ACOs

MEDICAID

- Beginning January 1, 2012, establishes a 5-year ACO demonstration project for pediatric providers to share in cost savings achieved for Medicaid and CHIP.
- Providers would have to participate in pilot for a minimum of 3-years.

MEDICARE

- By January 1, 2012, requires DHHS to create a program that would reward hospitals and physicians (ACOs) that work together to manage patient costs and quality of care to Medicare beneficiaries.
- ACOs can include physicians, hospitals, nurse practitioners, physician assistants and others.
- ACOs would be rewarded for meeting quality of care targets and cost reductions.
- Preference may be given to ACOs already contracting with the private market.

