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ACOs have potential; we've proved it

By Paul Serini

The national discussion surrounding accountable care organizations is heating up, and for good reason. At a policy level, we need to improve the traditional Medicare program, with solutions that will better coordinate the fragmented aspects of a fee-for-service reimbursement system to create a more user-friendly and efficient organism.

Proponents of ACOs make no claim that these healthcare collaborations are the silver bullet to cure our Medicare system's woes. But they do argue that the model has enormous potential for improving care and reducing costs.

Detractors are less optimistic, saying ACOs are merely managed-care organizations refashioned with a new hat. Even the Federal Trade Commission has chimed in with concerns, suggesting that ACOs involving financial agreements between hospitals and large networks of area providers raise antitrust concerns.

The truth may lie somewhere in the middle, and both sides of the ACO debate would agree that it's simply too early to tell. While the release of the draft CMS Shared Savings Program Regulations provides an important sneak peek into how the program will be organized, the demonstration has a long way to go before it truly begins to impact patients.

What is less murky is the fact that, in theory, the concept of accountable care is as pragmatic as it is powerful. Two of the driving principles behind ACOs include the emphasis on coordinated care and an intense focus on patients. In practice, my company—a Medicare Advantage organization that offers special-needs plans—has been “demonstrating” for years that an integrated, patient-centered and quality-focused model of care can produce shared cost savings.

Among the toughest groups of patients on which to control costs and improve outcomes are chronically ill Medicare beneficiaries, particularly those with multiple chronic conditions such as diabetes and heart failure. Over the years, we've refined and perfected a number of programs that are designed to streamline and coordinate the care of these patients across multiple providers, including partnering our members with a core clinical team that works with the treatment plan set by their primary-care physician.

But, we've also taken it many steps further with initiatives such as specialized pharmacist counseling sessions, ongoing at-home

medical evaluations and social service advocacy, to name a few. We have the outcome and patient satisfaction data that prove our success.

Of the members stratified into our high-risk diabetes program, all-cause hospital admission rates decreased by 20% last year, with all-cause readmissions decreasing by 5%. We increased by 4% the number of these beneficiaries whose scores on a blood test, HbA1C, were less than 7%, which is the recommended level to remain at or below for diabetes patients. This improvement is significant when you consider that the average age of our nondisabled membership is 76, and that most within our high-risk program have multiple chronic conditions affecting their health.

As a special needs plan, are we accountable? You bet we are, and it goes beyond our reimbursement rates to include the quality of care our members receive. Over the past four years, we've become experts on precisely those issues that ACOs will be facing, bringing together all of the seemingly disparate pieces—clinical and administrative professionals included—and making them work for the patient.

And, so, as the debate about the good or bad of ACOs continues, let's remember that traditional Medicare must evolve for the sake of our nation's growing senior population, and that well-coordinated care should be a cornerstone of this effort. Exactly how ACOs will be part of that evolution remains to be seen, but we must give them our best shot.

At the same time, we must acknowledge that no single solution can solve Medicare's deficiencies on its own; rather, the pursuit of multiple effective solutions is critical. Those forming ACO collaborations can learn from their private Medicare colleagues, whose coordinated care models and best practices will help them to be successful.



Paul Serini is executive vice president of XLHealth Corp., Baltimore.