

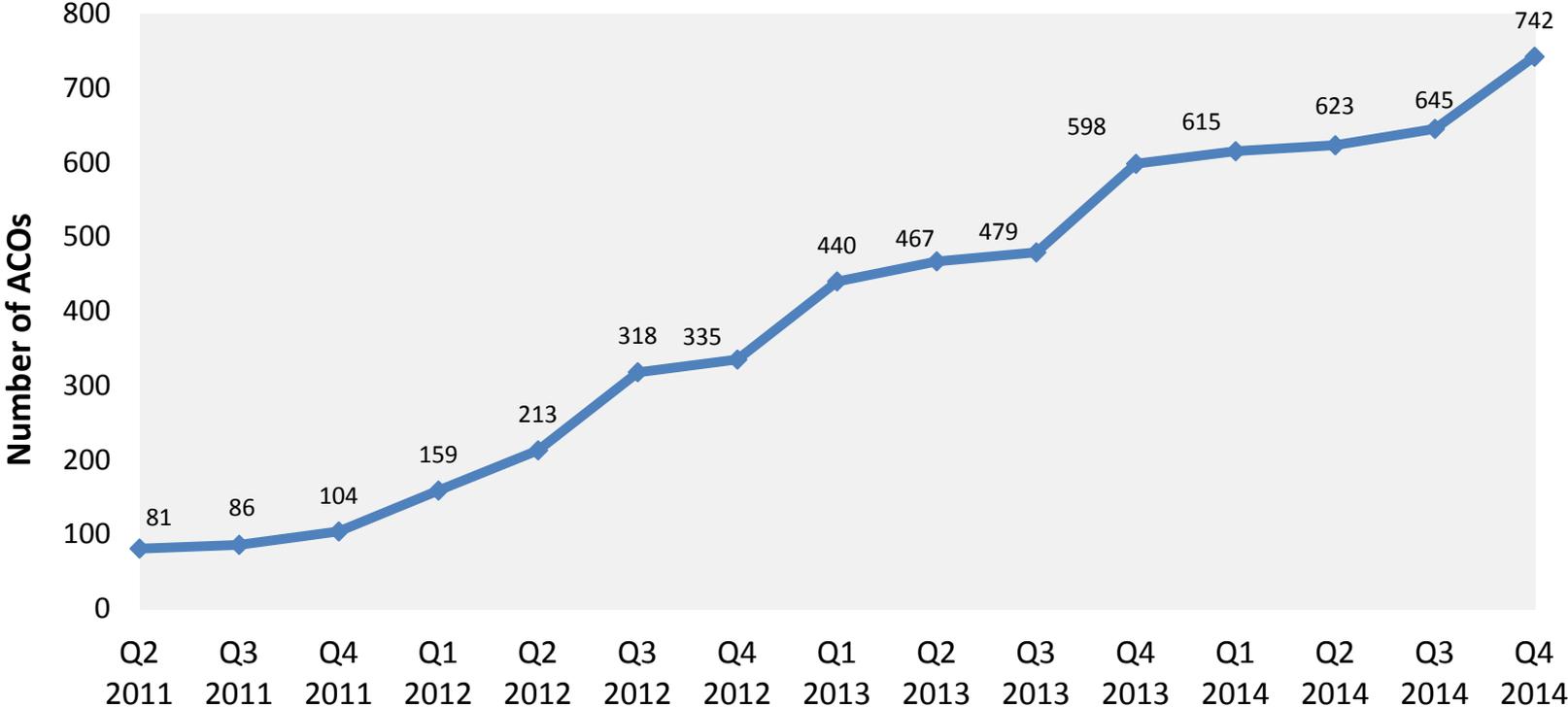
OVERVIEW OF THE ACO LANDSCAPE

David Muhlestein, PhD JD
Senior Director of Research & Development
Leavitt Partners

Examining Health Care Competition Workshop
February 24-25, 2015

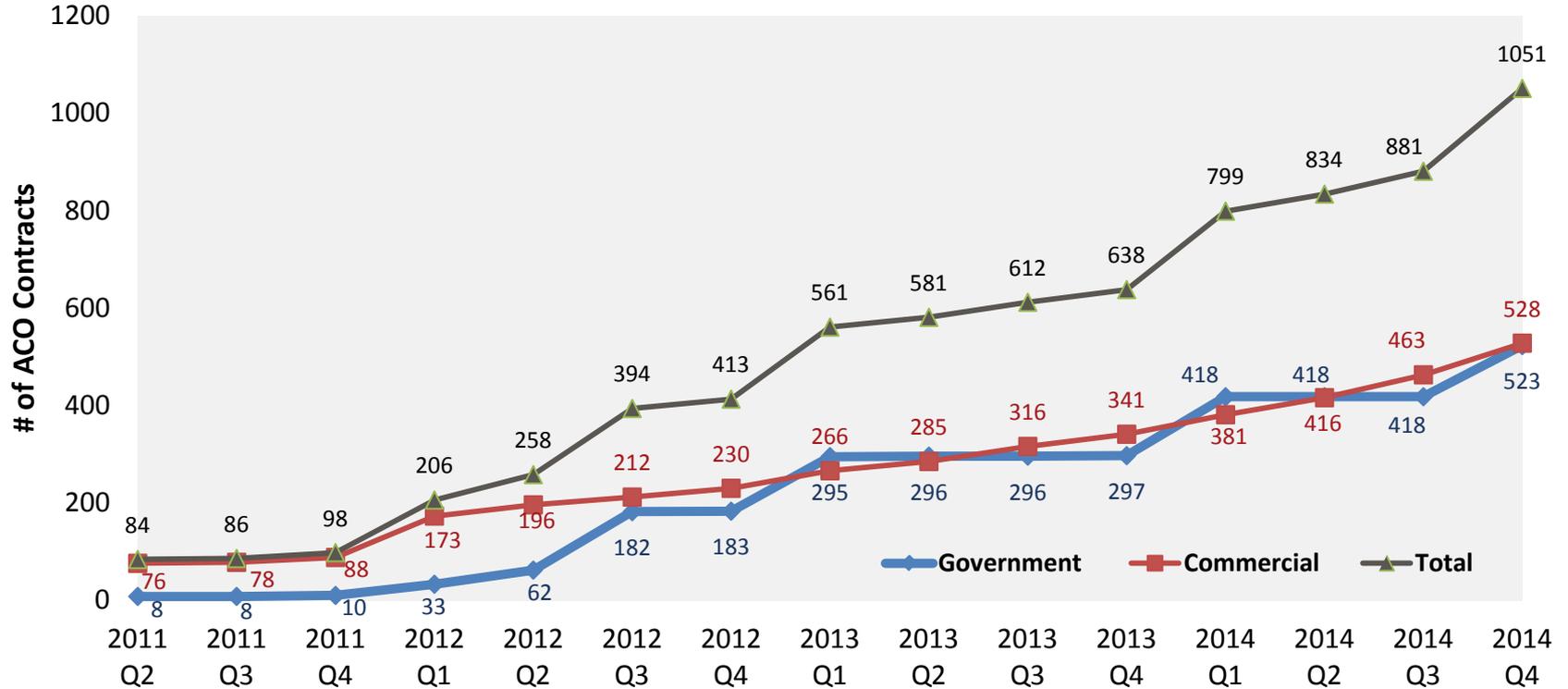
ACO GROWTH

Overall Trajectory



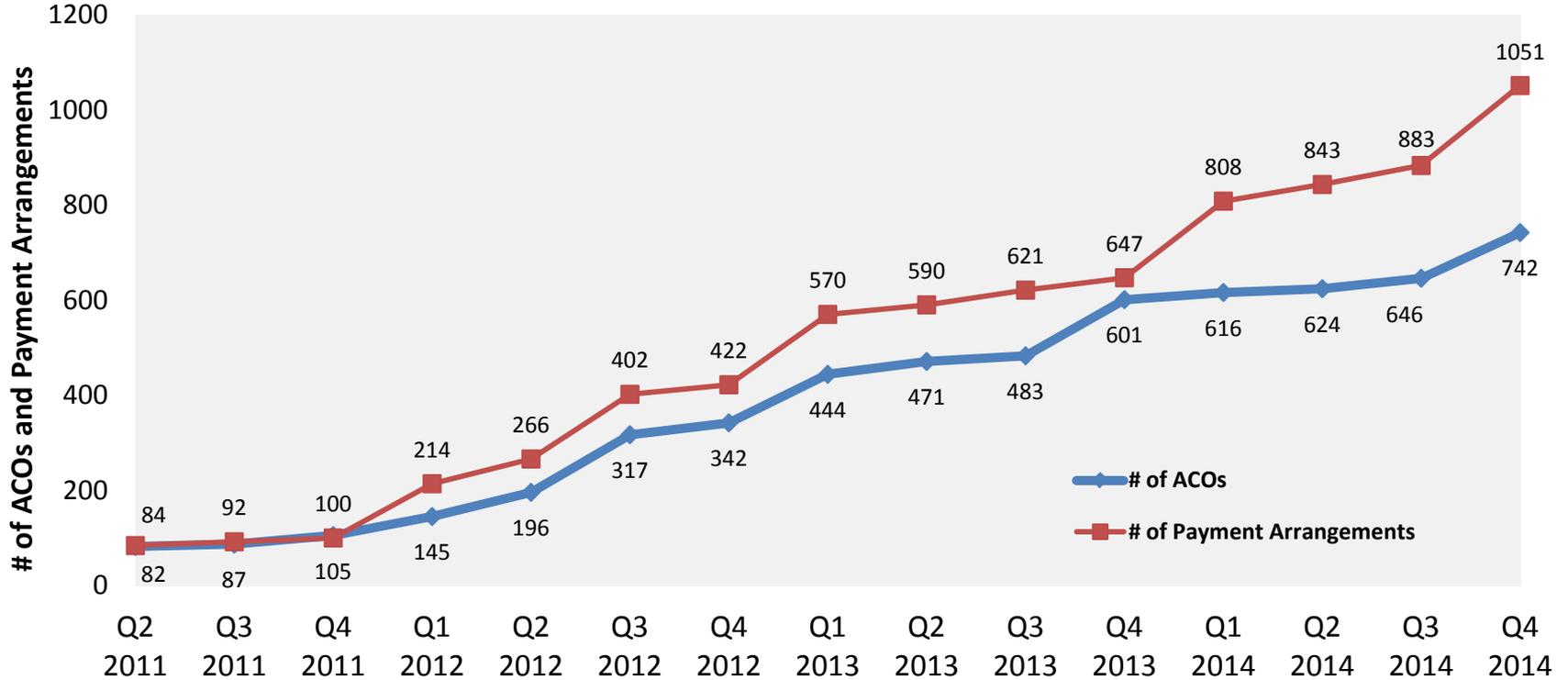
GROWTH BY CONTRACT TYPE

For New and Existing ACOs



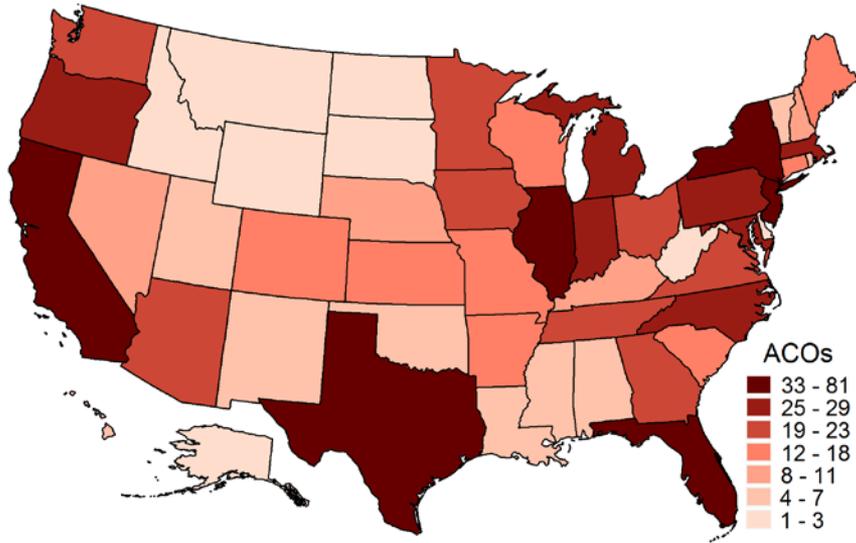
ACO GROWTH VS CONTRACT GROWTH

Overall Trajectory

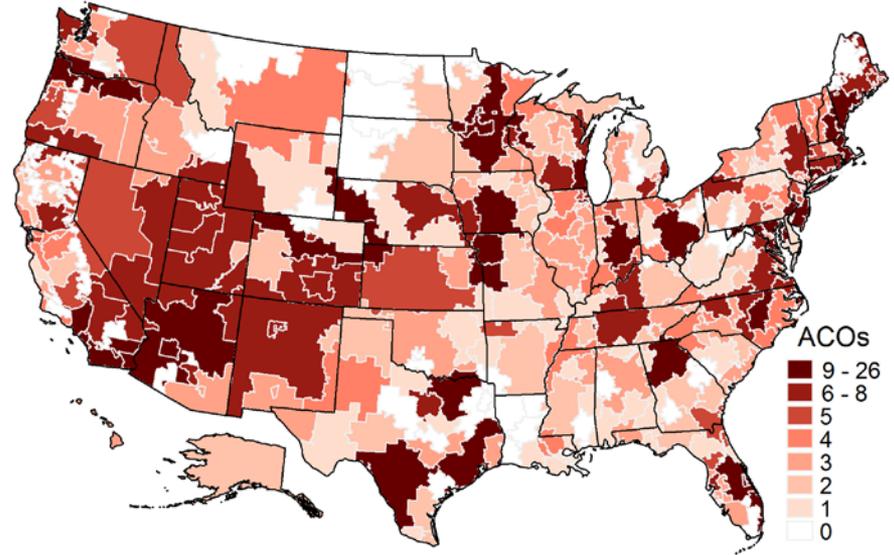


WHERE ARE THEY FORMING?

ACOs by State

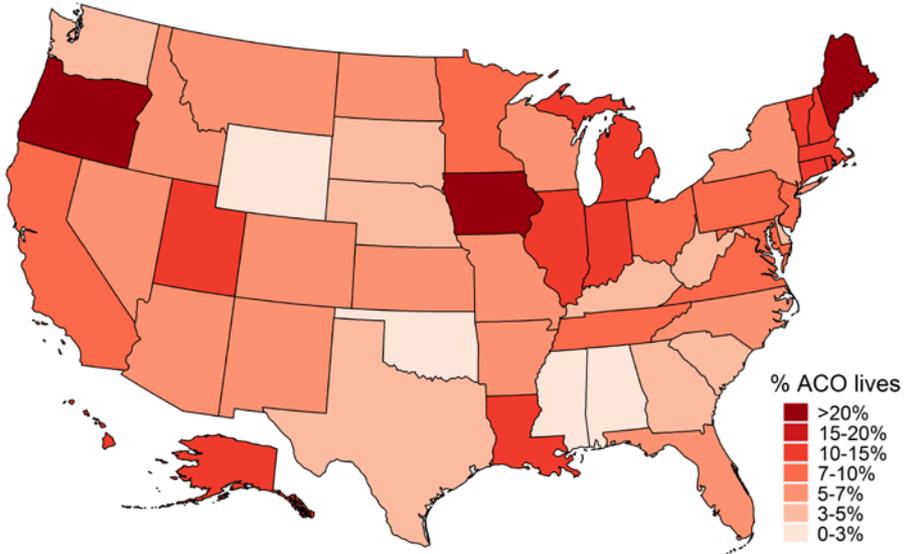


ACOs by Hospital Referral Region

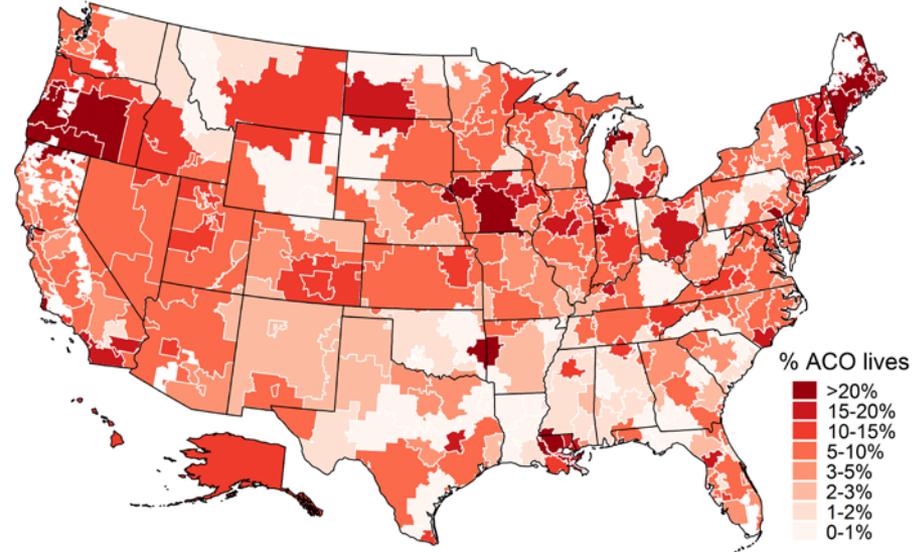


HOW MANY LIVES?

Estimated ACO Penetration by State

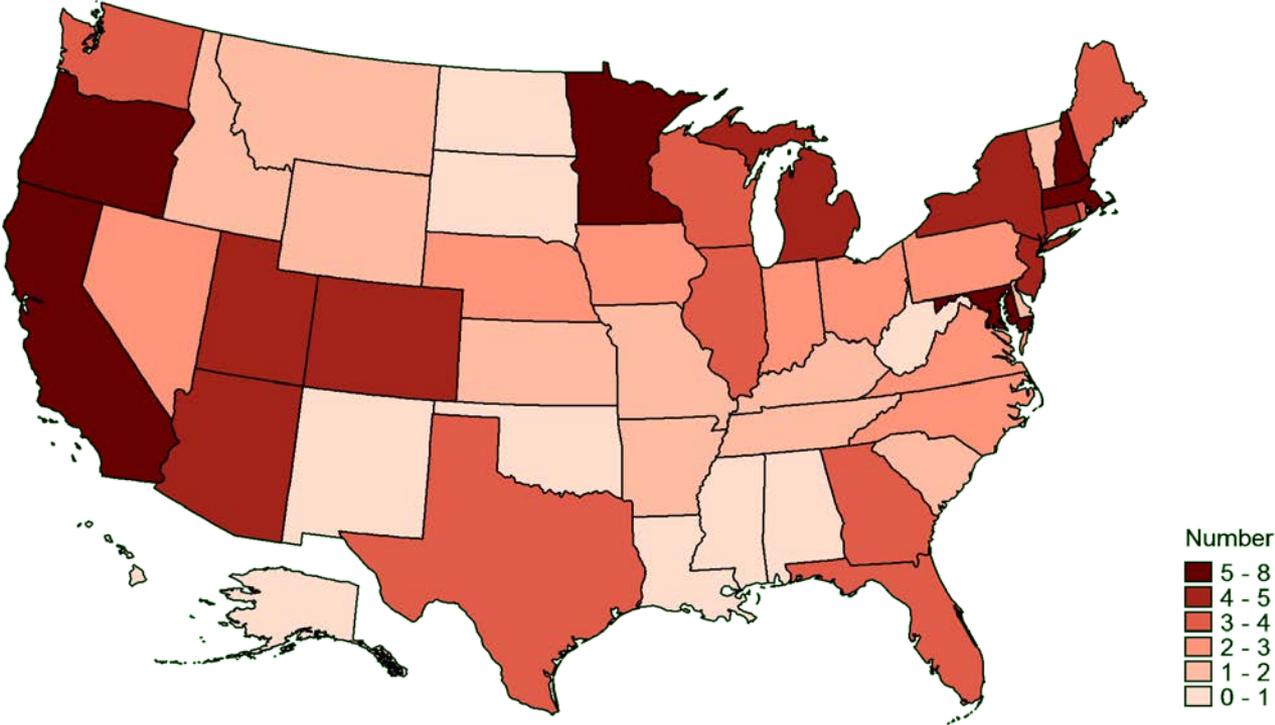


Estimated ACO Penetration by Hospital Referral Region



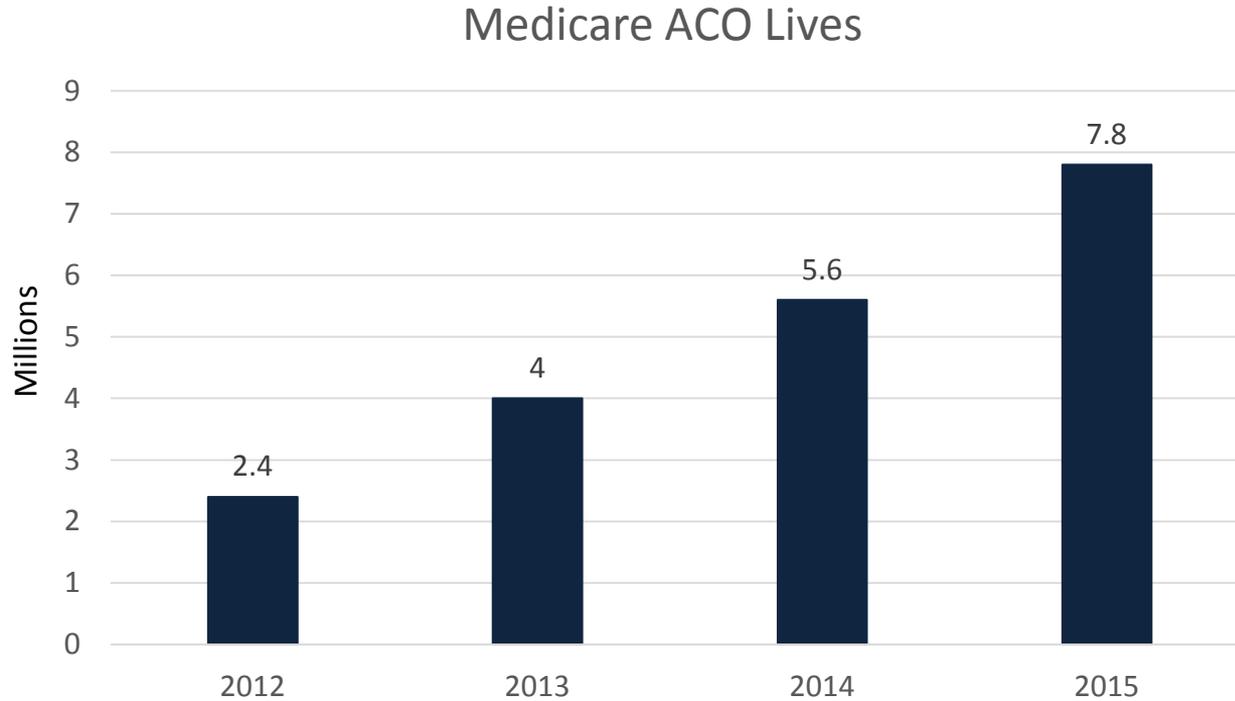
AVERAGE NUMBER OF ACOS

Based on patient location



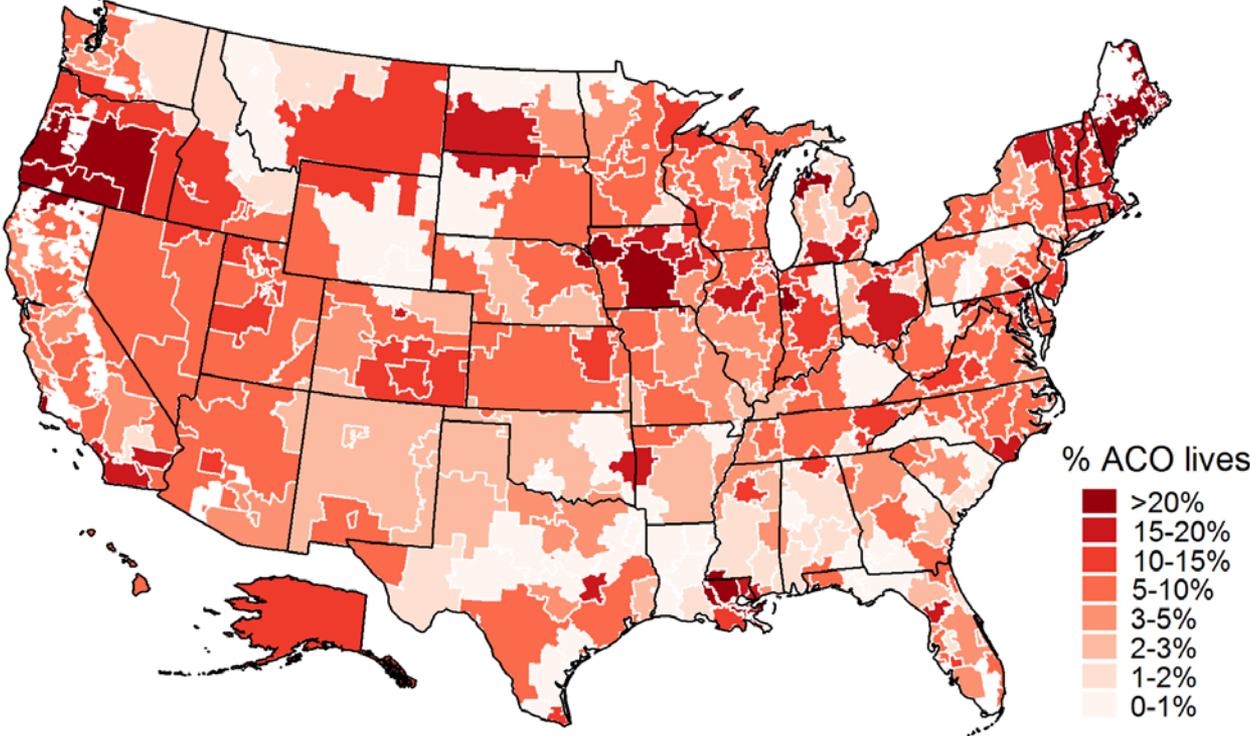
Source: Leavitt Partners Center for Accountable Care Intelligence

SIZE OF THE ACO MOVEMENT



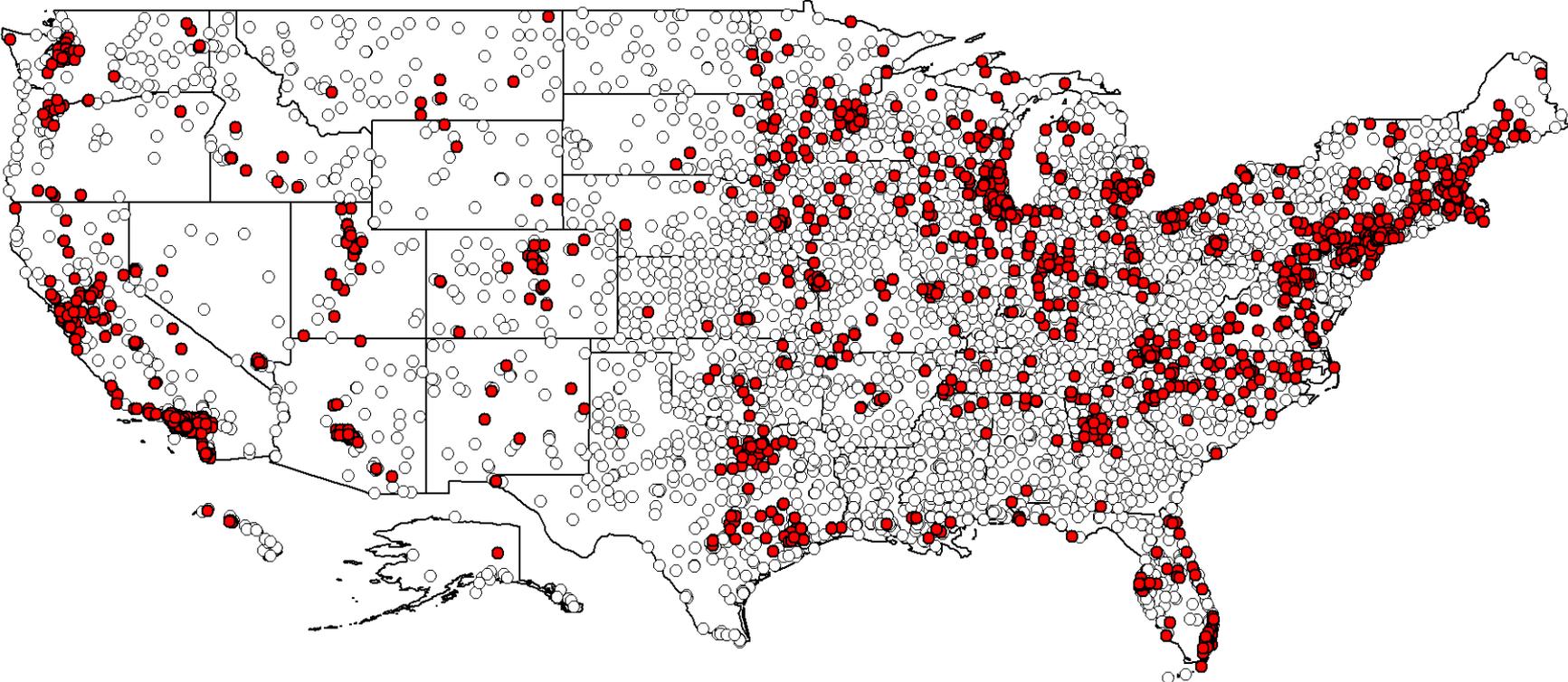
ACO PENETRATION OF LIVES OVER TIME

Estimated ACO Penetration by Hospital Referral Region 2015



HOSPITALS IN ACOS OVER TIME

2015



ACOS ATTRACT A WIDE RANGE OF PROVIDERS



PCT-ACO

Physicians Collaborative Trust ACO, LLC

- Small physician group of ~40 PCPs and specialists
- MSSP contract
- \$0 shared savings PY1



**Huntington
Hospital**

- Single Hospital
- 900 physicians
- MSSP and commercial contracts



- Rural ACO
- 9 independent family practices
- MSSP and commercial contracts



UnityPoint Health

- 17 hospitals in Iowa, Illinois and Wisconsin
- 30,000 employees including hospital staff, clinics and home health
- Government and commercial contracts
- Across multiple ACOs has earned shared savings of \$8.6 million

ACO PROGRAM DIFFERENCES

MSSP:

- 5,000 beneficiary minimum
- 3-year agreement
- 2 Tracks
- PCP attribution
- 33 quality measures

Commercial:

- Wide range of population sizes
- 3-5 year agreement
- Variations of risk-sharing
- Attribution based on product
- Quality measures vary

BECOMING AN ACO TAKES TIME

- Engaging physicians, integrating cultures
- Designing a structure – many approaches will require the development of a new legal entity and a new governance structure
- Assessing population health capabilities, identifying operational gaps
- Implementing HIT
- Developing a quality program – metrics, physician education, reporting, incentives
- Market expertise