

Medicare Shared Savings Program Advance Investment Payments (AIP)



The Medicare Shared Savings Program (Shared Savings Program) is a voluntary program that encourages groups of doctors, hospitals, and other health care providers to come together as an Accountable Care Organization (ACO) to give coordinated, high-quality care to their Medicare beneficiaries.

- The Shared Savings Program will offer a **new** payment option, known as Advance Investment Payments (AIP), to encourage health care providers in rural and underserved areas to join together to form ACOs. AIP offers eligible ACOs advance shared savings payments, **including an upfront payment of \$250,000 and two years of quarterly payments**, to build the infrastructure needed to succeed in the Shared Savings Program and promote equity by holistically addressing beneficiary needs, including social needs. Advance investment payments will be recouped from earned shared savings in an ACO's current and subsequent agreement period, if a balance persists.
- Eligible ACOs that want to receive advance investment payments must submit to CMS complete supplemental information as part of their application to participate in the Shared Savings Program. The initial application cycle will occur in Spring 2023 for a January 1, 2024, start date. AIP will be available to Shared Savings Program ACOs annually who meet the eligibility requirements.

AIP ELIGIBILITY

Shared Savings Program Eligibility Requirements (42 CFR §§ 425.100–425.118)	AIP Eligibility Requirements (42 CFR § 425.630(b)) Effective 1/1/2023 for Performance Year 1/1/2024
<p>Includes, but is not limited to:</p> <ul style="list-style-type: none"> ✓ Formed as legal entity recognized by the state in which it operates to perform ACO functions ✓ Comprised of eligible providers and suppliers ✓ Governed by participating providers and at least one Medicare beneficiary representative ✓ Have a minimum of 5,000 assigned beneficiaries ✓ Not participating in other Medicare shared savings initiatives 	<ul style="list-style-type: none"> ✓ Never participated in the Shared Savings Program (not renewing or re-entering) ✓ Low revenue ACO ✓ Inexperienced with performance-based risk Medicare ACO initiatives ✓ Applying to participate in any level of the BASIC Track's glide path <p>*Currently, ACOs joining Levels B-E of the BASIC Track glide path will not be eligible to receive all advance investment payments.</p>

HOW ADVANCE INVESTMENT PAYMENTS ARE DETERMINED AND USED

 <p>Payment Amount Methodology</p> <p>(42 CFR § 425.630(f))</p>	<ul style="list-style-type: none"> • One-time upfront fixed payment of \$250,000 • Additional quarterly payments <ul style="list-style-type: none"> ○ Up to 2 years ○ Up to \$45 per beneficiary per quarter (amount based on beneficiary attributes, including Area Deprivation Index (ADI) score, Medicare Part D low-income subsidy (LIS), and dual eligible status)10,000 beneficiary cap for quarterly payments
 <p>Permitted Payment Uses</p> <p>(42 CFR § 425.630(e))</p>	<ul style="list-style-type: none"> • Improve the quality and efficiency of items and services furnished to beneficiaries by investing in: <ul style="list-style-type: none"> ○ Increased staffing ○ Health care infrastructure ○ Provision of accountable care for underserved beneficiaries, including addressing social determinants of health • ACOs must publicly report their spend plan and actual spending amounts each year • ACOs are encouraged to work with Community Based Organizations (CBOs) to screen and manage beneficiary health-related social needs. Find local CBOs here: <ul style="list-style-type: none"> • https://eldercare.acl.gov/Public/Index.aspx • https://communityactionpartnership.com/find-a-cap/

HOW TO APPLY

Application Steps
<input checked="" type="checkbox"/> Applications open on May 18, 2023 for the Medicare Shared Savings Program for the performance year beginning on January 1, 2024, via the ACO Management System (ACO-MS)
<input checked="" type="checkbox"/> Additional information on applying to the Shared Savings Program for the 2024 performance year will be posted in early 2023 on the Application Types & Timeline webpage

If you have questions, please send them to SharedSavingsProgram@cms.hhs.gov.