

DEPARTMENT OF HEALTH AND HUMAN SERVICES
Centers for Medicare & Medicaid Services



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Improving Quality of Care for Medicare Patients: Accountable Care Organizations



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Overview

The Centers for Medicare & Medicaid Services (CMS), an agency within the Department of Health & Human Services (HHS), finalized regulations under the Affordable Care Act to allow doctors, hospitals, and other health care providers to better coordinate care for Medicare patients through Accountable Care Organizations (ACOs). Participation in an ACO creates incentives for health care providers to work together to treat an individual patient across care settings—including doctor's offices, hospitals, and long-term care facilities. The Medicare Shared Savings Program (Shared Savings Program) will reward ACOs that lower their growth in health care costs while meeting performance standards on quality of care and putting patients first. Provider participation in an ACO is purely voluntary.

In developing the program regulations, CMS worked closely with agencies across the Federal government to ensure a coordinated and aligned inter- and intra-agency effort to facilitate implementation of the Shared Savings Program.

CMS encourages all interested providers and suppliers to review the program's regulations and consider participating in the Shared Savings Program.

This booklet describes the quality measures and the method for scoring an ACO's performance for purposes of meeting the quality performance standard under the Shared Savings Program.

Shared Savings Goals



Better care for patients



Better health for our communities



Lower Medicare Fee-for-Service costs through improvements for the health care system

ACO Quality Measures and Performance Scoring Methodology

Quality Measures

Thirty-four individual measures of quality performance are used to determine if an ACO qualifies for shared savings. These 34 measures span four quality domains: Patient Experience of Care, Care Coordination/Patient Safety, Preventive Health, and At-Risk Population. The list of measures is included as an appendix to this fact sheet. The ACO quality measures align with those used in other CMS quality programs, such as the Physician Quality Reporting System (PQRS) and the Electronic Health Record (EHR) Incentive Programs. The ACO quality measures also align with the National Quality Strategy and other HHS priorities, such as the Million Hearts Initiative.

In developing the program's quality measures, CMS listened to industry concerns about focusing more on outcomes and considered a broad array of measures that would help to assess an ACO's success in delivering high-quality health care at both the individual and population levels. CMS also sought to address comments that supported adopting fewer total measures that reflect processes and outcomes, and aligning the measures with those used in other quality reporting programs, such as the PQRS. In subsequent years, CMS made changes to the measure set adding new measures that ACOs must report and retiring measures that no longer aligned with updated clinical guidelines.

Reporting

The measures are reported through a combination of a web interface designed for clinical quality measure reporting and patient experience-of-care surveys. In addition, CMS claims and administrative data are used to calculate other measures in order to reduce administrative burden. ACOs are responsible for selecting and paying for a CMS-certified vendor to administer the patient survey and report the results.

Quality Performance Scoring

As required by the Affordable Care Act, before an ACO can share in any savings created, it must demonstrate that it met the quality performance standard for that year.

Pay for performance will be phased in over an ACO's first agreement period. For the first performance year of an ACO's first agreement period, CMS has defined the quality performance standard at the level of complete and accurate reporting for all quality measures. During subsequent performance years of the first agreement period, the quality performance standard is phased in such that ACOs must continue to report all measures completely and accurately, but will eventually be assessed on performance. During subsequent agreement periods, ACOs must continue to report all measures completely and accurately and will continue to be assessed on performance.

New measures added to the program's quality measure set will be pay for reporting for the first 2 years for all ACOs, regardless of the year of their agreement period. If a measure owner determines that a measure in the program's measure set no longer meets best clinical practice, due to clinical guideline changes or clinical evidence suggesting that the continued collection of the data may result in harm to patients, CMS will maintain the measure as pay for reporting or revert the measure to pay for reporting if the measure had transitioned to pay for performance status.

The quality measure phase-in approach is detailed in the [Appendix](#).

CMS establishes benchmarks for ACO quality measures. The benchmarks are set for two reporting years and are released prior to the start of the first performance year in which they will apply. For pay for performance measures, the minimum attainment level is set at 30 percent or the 30th percentile of the performance benchmark. Performance benchmarks are established using national Fee-For-Service (FFS) data or a flat percentage for measures where the 60th percentile is equal to or greater than 80 percent and measures where the 90th percentile is equal to or greater than 95 percent. Performance equal to or greater than the minimum attainment level for a measure will receive points on a sliding scale based on the level of performance. Performance at or above 90 percent or the 90th percentile of the performance benchmark will earn the maximum points available for the measure.

CMS adds the points earned for the individual measures within each domain and divides by the total points available for the domain to determine each of the four domain scores. The domains are weighted equally and scores averaged to determine the ACO's overall quality performance score and sharing rate. Beginning with the 2015 performance year, ACOs may also receive a quality improvement reward where they may earn up to 4 additional points per domain for improving quality performance. The total number of points earned cannot exceed the total possible points for the domain in the absence of the quality improvement measure.

In addition to the measures used for the quality performance standards for shared savings eligibility, CMS will also use certain measures for monitoring purposes, to ensure ACOs are not avoiding at-risk patients or engaging in overuse, underuse, or misuse of health care services.

Incorporation of the PQRS and Value Modifier into the Shared Savings Program

The Affordable Care Act allows CMS to incorporate the PQRS and Value Modifier reporting requirements into the Shared Savings Program. If the ACO satisfactorily reports clinical quality measures through the CMS web interface, all eligible professionals (physicians and practitioners) billing through an ACO participant Taxpayer Identification Number (TIN) will avoid the PQRS payment adjustment and the Value Modifier automatic downward adjustment. If an ACO fails to satisfactorily report quality measures through the CMS web interface, all eligible professionals (physicians and practitioners) billing through an ACO participant TIN will be subject to the PQRS payment adjustment and the Value Modifier automatic downward adjustment. More information about the PQRS payment adjustment can be found at <https://www.cms.gov/Medicare/Quality-Initiatives-Patient-Assessment-Instruments/PQRS/Payment-Adjustment-Information.html> on the CMS website. Also visit the Physician Feedback and Value Modifier program web page for more information: <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/PhysicianFeedbackProgram>.

Resources

The Shared Savings Program final rules can be downloaded from the Government Publishing Office (GPO) website at <https://www.gpo.gov/fdsys/pkg/FR-2011-11-02/pdf/2011-27461.pdf> (November 2011 final rule) and <https://www.gpo.gov/fdsys/pkg/FR-2015-06-09/pdf/2015-14005.pdf> (June 2015 final rule) on the GPO website.

The Shared Savings Program quality standard aligns with other CMS quality reporting programs. Updates to the quality standard are made annually in the Physician Fee Schedule rule. The 2016 Physician Fee Schedule final rule can be downloaded at <https://www.gpo.gov/fdsys/pkg/FR-2015-11-16/pdf/2015-28005.pdf> on the GPO website.

For information about applying to participate in the Shared Savings Program, visit <https://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram> on the CMS website.



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APPENDIX

Quality Measures for Accountable Care Organizations

Table 1. Measures for Use in Establishing Quality Performance Standards that ACOs Must Meet for Shared Savings

Domain	AIM	ACO Measure #	Measure Title	New Measure	NQF #/ Measure Steward	Method of Data Submission	Phase In PY1	Phase In PY2	Phase In PY3
Patient/ Caregiver Experience	Better Care for Individuals	ACO – 1	CAHPS: Getting Timely Care, Appointments, and Information	No	NQF #0005 AHRQ	Survey	R	P	P
Patient/ Caregiver Experience	Better Care for Individuals	ACO – 2	CAHPS: How Well Your Doctors Communicate	No	NQF #0005 AHRQ	Survey	R	P	P
Patient/ Caregiver Experience	Better Care for Individuals	ACO – 3	CAHPS: Patients' Rating of Doctor	No	NQF #0005 AHRQ	Survey	R	P	P
Patient/ Caregiver Experience	Better Care for Individuals	ACO – 4	CAHPS: Access to Specialists	No	NQF #N/A CMS/AHRQ	Survey	R	P	P
Patient/ Caregiver Experience	Better Care for Individuals	ACO – 5	CAHPS: Health Promotion and Education	No	NQF #N/A CMS/AHRQ	Survey	R	P	P
Patient/ Caregiver Experience	Better Care for Individuals	ACO – 6	CAHPS: Shared Decision Making	No	NQF #N/A CMS/AHRQ	Survey	R	P	P
Patient/ Caregiver Experience	Better Care for Individuals	ACO – 7	CAHPS: Health Status/Functional Status	No	NQF #N/A CMS/AHRQ	Survey	R	R	R

The CMS web interface currently used is the PQRS GPRO web interface.

Please Note:

R = Pay for reporting

P = Pay for performance

PY = Performance year

Table 1. Measures for Use in Establishing Quality Performance Standards that ACOs Must Meet for Shared Savings (cont.)

Domain	AIM	ACO Measure #	Measure Title	New Measure	NQF #/ Measure Steward	Method of Data Submission	Phase In PY1	Phase In PY2	Phase In PY3
Patient/ Caregiver Experience	Better Care for Individuals	ACO – 34	CAHPS: Stewardship of Patient Resources	No	NQF #N/A CMS/AHRQ	Survey	R	P	P
Care Coordination/ Safety	Better Care for Individuals	ACO – 8	Risk-Standardized, All Condition Readmission	No	Adapted NQF #1789 CMS	Claims	R	R	P
Care Coordination/ Safety	Better Care for Individuals	ACO – 35	Skilled Nursing Facility 30-Day All-Cause Readmission Measure (SNFRM)	No	Adapted NQF #2510 CMS	Claims	R	R	P
Care Coordination/ Safety	Better Care for Individuals	ACO – 36	All-Cause Unplanned Admissions for Patients with Diabetes	No	NQF #TBD CMS	Claims	R	R	P
Care Coordination/ Safety	Better Care for Individuals	ACO – 37	All-Cause Unplanned Admissions for Patients with Heart Failure	No	NQF #TBD CMS	Claims	R	R	P
Care Coordination/ Safety	Better Care for Individuals	ACO – 38	All-Cause Unplanned Admissions for Patients with Multiple Chronic Conditions	No	NQF #TBD CMS	Claims	R	R	P

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Domain	AIM	ACO Measure #	Measure Title	New Measure	NQF #/ Measure Steward	Method of Data Submission	Phase In PY1	Phase In PY2	Phase In PY3
Care Coordination/ Safety	Better Care for Individuals	ACO – 9	Ambulatory Sensitive Conditions Admissions: Chronic Obstructive Pulmonary Disease or Asthma in Older Adults (AHRQ Prevention Quality Indicator (PQI) #5)	No	Adapted NQF #0275 AHRQ	Claims	R	P	P
Care Coordination/ Safety	Better Care for Individuals	ACO – 10	Ambulatory Sensitive Conditions Admissions: Heart Failure (AHRQ Prevention Quality Indicator (PQI) #8)	No	Adapted NQF #0277 AHRQ	Claims	R	P	P
Care Coordination/ Safety	Better Care for Individuals	ACO – 11	Percent of PCPs who Successfully Meet Meaningful Use Requirements	No	NQF #N/A CMS	EHR Incentive Program Reporting	R	P	P
Care Coordination/ Safety	Better Care for Individuals	ACO – 39	Documentation of Current Medications in the Medical Record	No	NQF #0419 CMS	CMS Web Interface	R	P	P
Care Coordination/ Safety	Better Care for Individuals	ACO – 13	Falls: Screening for Future Fall Risk	No	NQF #0101 NCQA	CMS Web Interface	R	P	P
Preventive Health	Better Health for Populations	ACO – 14	Preventive Care and Screening: Influenza Immunization	No	NQF #0041 AMA-PCPI	CMS Web Interface	R	P	P

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Domain	AIM	ACO Measure #	Measure Title	New Measure	NQF #/ Measure Steward	Method of Data Submission	Phase In PY1	Phase In PY2	Phase In PY3
Preventive Health	Better Health for Populations	ACO – 15	Pneumonia Vaccination Status for Older Adults	No	NQF #0043 NCQA	CMS Web Interface	R	P	P
Preventive Health	Better Health for Populations	ACO – 16	Preventive Care and Screening: Body Mass Index (BMI) Screening and Follow Up	No	NQF #0421 CMS	CMS Web Interface	R	P	P
Preventive Health	Better Health for Populations	ACO – 17	Preventive Care and Screening: Tobacco Use: Screening and Cessation Intervention	No	NQF #0028 AMA-PCPI	CMS Web Interface	R	P	P
Preventive Health	Better Health for Populations	ACO – 18	Preventive Care and Screening: Screening for Clinical Depression and Follow-up Plan	No	NQF #0418 CMS	CMS Web Interface	R	P	P
Preventive Health	Better Health for Populations	ACO – 19	Colorectal Cancer Screening	No	NQF #0034 NCQA	CMS Web Interface	R	R	P
Preventive Health	Better Health for Populations	ACO – 20	Breast Cancer Screening	No	NQF #N/A NCQA	CMS Web Interface	R	R	P
Preventive Health	Better Health for Populations	ACO – 21	Preventive Care and Screening: Screening for High Blood Pressure and Follow-up Documented	No	CMS	CMS Web Interface	R	R	P

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Domain	AIM	ACO Measure #	Measure Title	New Measure	NQF #/ Measure Steward	Method of Data Submission	Phase In PY1	Phase In PY2	Phase In PY3
Preventive Health	Better Health for Populations	ACO – 42	Statin Therapy for the Prevention and Treatment of Cardiovascular Disease	Yes	NQF #TBD CMS	CMS Web Interface	R	R	R
Clinical Care for At Risk Population – Depression	Better Health for Populations	ACO – 40	Depression Remission at Twelve Months	No	NQF #0710 MNM	CMS Web Interface	R	R	R
Clinical Care for At Risk Population – Diabetes	Better Health for Populations	ACO – 27	Diabetes Composite (All or Nothing Scoring): ACO – 27: Diabetes Mellitus: Hemoglobin A1c Poor Control	No	NQF #0059 NCQA (individual component)	CMS Web Interface	R	P	P
Clinical Care for At Risk Population – Diabetes	Better Health for Populations	ACO – 41	Diabetes Composite (All or Nothing Scoring): ACO – 41: Diabetes: Eye Exam	No	NQF #0055 NCQA (individual component)	CMS Web Interface	R	P	P
Clinical Care for At Risk Population – Hypertension	Better Health for Populations	ACO – 28	Hypertension (HTN): Controlling High Blood Pressure	No	NQF #0018 NCQA	CMS Web Interface	R	P	P

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Domain	AIM	ACO Measure #	Measure Title	New Measure	NQF #/ Measure Steward	Method of Data Submission	Phase In PY1	Phase In PY2	Phase In PY3
Clinical Care for At Risk Population – Ischemic Vascular Disease	Better Health for Populations	ACO – 30	Ischemic Vascular Disease (IVD): Use of Aspirin or Another Antithrombotic	No	NQF #0068 NCQA	CMS Web Interface	R	P	P
Clinical Care for At Risk Population – Heart Failure	Better Health for Populations	ACO – 31	Heart Failure (HF): Beta-Blocker Therapy for Left Ventricular Systolic Dysfunction (LVSD)	No	NQF #0083 AMA-PCPI	CMS Web Interface	R	R	P
Clinical Care for At Risk Population – Coronary Artery Disease	Better Health for Populations	ACO – 33	Angiotensin-Converting Enzyme (ACE) Inhibitor or Angiotensin Receptor Blocker (ARB) Therapy – for patients with CAD and Diabetes or Left Ventricular Systolic Dysfunction (LVEF<40%)	No	NQF #0066 ACC	CMS Web Interface	R	R	P

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