MLN Connects™

National Provider Call

Medicare Shared Savings Program Application Process: ACO Participant Agreements, ACO Participant List & Assignment

April 22, 2014

Presented by: Centers for Medicare & Medicaid Services
RTI International

Medicare Learning Network®
Official Information Health Care Professionals Can Trust

CMS
CENTERS FOR MEDICARE & MEDICAID SERVICES

Medicare Learning Network®

- This MLN Connects™ National Provider Call (MLN Connects Call) is part of the Medicare Learning Network® (MLN), a registered trademark of the Centers for Medicare & Medicaid Services (CMS), and is the brand name for official information health care professionals can trust.

Disclaimer

This presentation was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This presentation was prepared as a service to the public and is not intended to grant rights or impose obligations. This presentation may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

Disclaimer

This presentation was current at the time it was published or uploaded onto the web. Medicare policy changes frequently so links to the source documents have been provided within the document for your reference.

This presentation was prepared as a service to the public and is not intended to grant rights or impose obligations. This presentation may contain references or links to statutes, regulations, or other policy materials. The information provided is only intended to be a general summary. It is not intended to take the place of either the written law or regulations. We encourage readers to review the specific statutes, regulations, and other interpretive materials for a full and accurate statement of their contents.

CPT Disclaimer -- American Medical Association (AMA) Notice

Introduction

Laura Dash
Director, Division of Application, Compliance & Outreach
Performance-Based Payment Policy Group
Centers for Medicare & Medicaid Services

Agenda

- This presentation will cover:
  - ACO Participant Agreements
  - ACO Participant List
  - Beneficiary Assignment

Purpose of Today's Call

- Explain and clarify these critical elements in the Medicare Shared Savings Program (Shared Savings Program) application:
  - Agreements between your ACO and ACO Participants
  - ACO Participant List
  - Beneficiary Assignment

Shared Savings Program: Background

- Shared Savings Program Web site
- Mandated by Section 3022 of the Affordable Care Act
- Established a Shared Savings Program using Accountable Care Organizations (ACOs)
- Shared Savings Program must be established by January 1, 2012
- Notice of proposed rulemaking issued March 31, 2011
- CMS sought and received over 1,300 comments on the proposal
- Issued Final Rule November 2011

ACO Participant Agreements

Laura Dash
Director, Division of Application, Compliance & Outreach
Performance-Based Payment Policy Group
Centers for Medicare & Medicaid Services

Shared Savings Program: Definitions

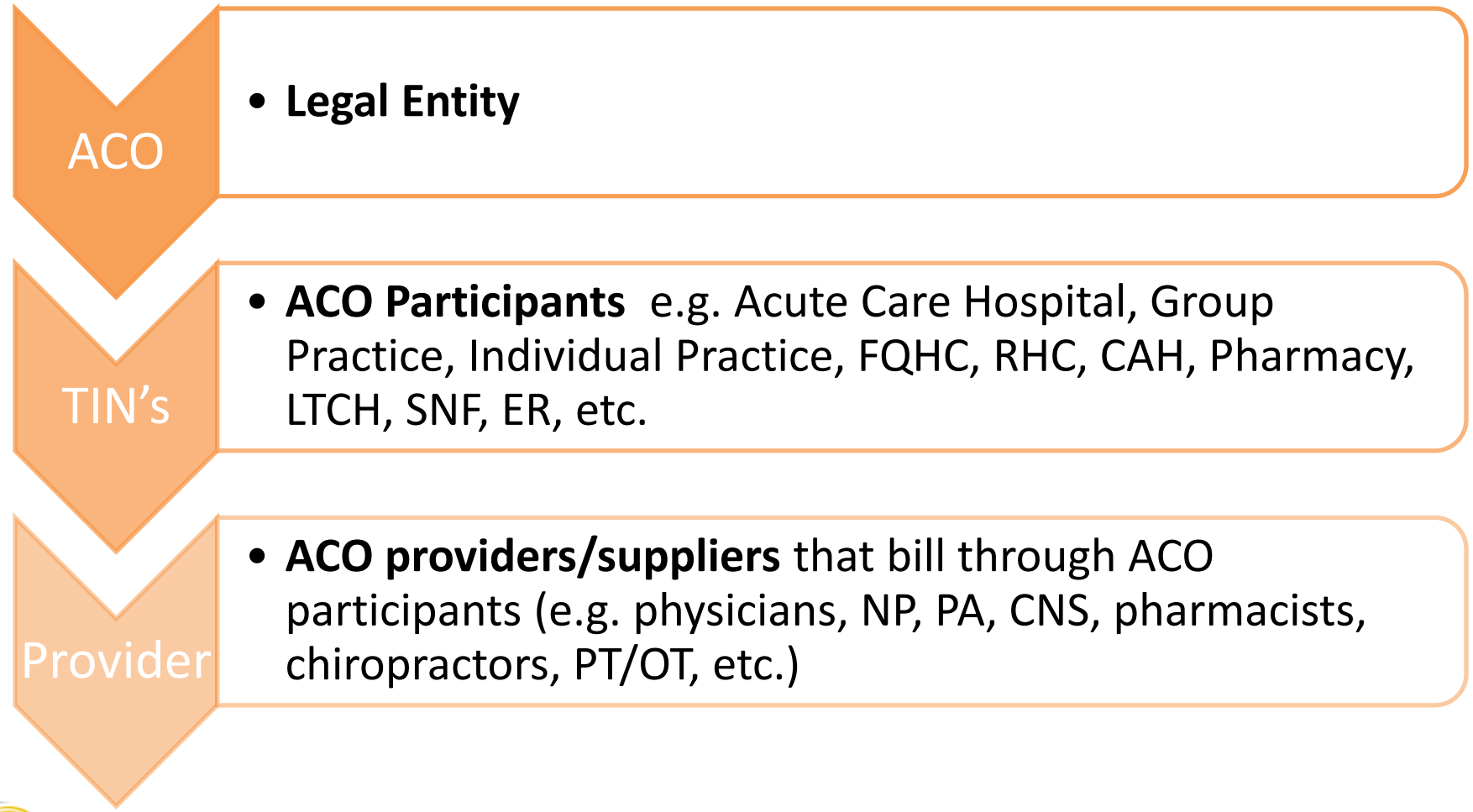
ACO Participant:

- Individual or group of ACO provider(s)/supplier(s) that is identified by a Medicare-enrolled taxpayer identification number (TIN), that alone or together with one or more other ACO participants comprise(s) and ACO.
  - E.g. Acute Care Hospital, Group Practice, Individual Practice, Federally Qualified Health Center (FQHC), Rural Health Center (RHC), Critical Access Hospital (CAH), Pharmacy, Long-term Care Hospital (LTCH), Skilled Nursing Facility (SNF), Emergency Room (ER), etc.

ACO Provider/Supplier:

- A provider (as defined in §400.202) , or a supplier (as defined at §400.202)
- Enrolled in Medicare
- Bills for items and services it furnishes to Medicare fee-for-service beneficiaries under a Medicare billing number assigned to the TIN of an ACO participant.
  - E.g. Physicians, Nurse Practitioner (NP), Physician Assistant (PA), Clinical Nurse Specialists (CNS), pharmacists, chiropractors, Physical Therapy/Occupational Therapy (PT/OT), etc.

Most Common ACO Structure



ACO Participant Agreements

- Reference Final Rule 42 CFR 425.204, 425.210
- Can't include ACO participant on your ACO Participant List without a signed ACO Participant Agreement
- ACO must ensure **all** ACO provider/suppliers have also agreed to participate

ACO Participant Agreements: Key Points

- Must be between the ACO legal entity and ACO participant legal entity
- Must be **direct** (no third party intermediary)
- No letters of intent
- Each agreement should clearly identify the parties entering into the agreement, the agreement date, and length of agreement
- Must clearly state the correct legal business name of both the ACO and ACO participant as indicated in HPMS and on the ACO Participant List

ACO Participant Agreements: Required Elements

- Explicit requirement to comply with 42 CFR 425
- ACO participant rights/obligations
- How sharing in savings will encourage compliance with Quality Assessment and Performance Improvement (QAPI) and evidence-based medicine (EBM) guidelines
- Remedial measures that will apply to ACO participants and ACO provider/suppliers in the event of non-compliance with the requirements of their agreement with the ACO.
- Explicit requirement to agree to be accountable for the quality, cost and overall care of Medicare FFS beneficiaries under their care
- Explicit requirement to comply with federal criminal law, False Claims Act, Anti-Kickback statute, civil monetary penalties law, and physician self-referral law

ACO Participant Agreements: Required Elements

- Explicit requirement that all ACO providers/suppliers that bill through the TIN of the ACO participant have also agreed to participate and follow program regulations.

- ACO must also ensure:
  - ACO has a direct agreement with each ACO provider/supplier, OR
  - The ACO has an indirect agreement with each ACO provider/supplier through the agreement the ACO participant has with each ACO provider/supplier

- If direct agreement, must meet same requirements as ACO Participant Agreement

ACO Participant Agreements: Suggested Elements

- Statement that the ACO participant agrees to work with the ACO to meet quality reporting standards.

- Statement to comply with all relevant statutory and regulatory provisions regarding the appropriate use of data including the HIPAA Privacy Rule, HIPAA Security Rule and the terms of the ACO's Data Use Agreement with CMS.

ACO Participant Agreements: Examples

- **Correct:** A large group practice decides to participate in an ACO. Its owner signs an agreement on behalf of the practice to participate in the program and follow program regulations. Also, all practitioners that have reassigned their billings to the TIN of the large group practice have also agreed to participate and follow program regulations.

  The ACO **may** include this group practice TIN on its list of ACO participants.

ACO Participant Agreements: Examples

- **Incorrect:** A large group practice decides to participate in an ACO. Its owner signs an agreement to participate in the program and follow program regulations. However, not all practitioners that have reassigned their billings to the TIN of the large group practice have agreed to participate and follow program regulations.

  The ACO **may not** include this group practice TIN on its list of ACO participants.

- **Incorrect:** Several practitioners in a large group practice decide to participate in an ACO. However, the group practice as a whole has not agreed to participate in the program.

  The ACO **may not** include this group practice TIN on its list of the ACO participants.

Use Good Contracting Practices

- Opening – clearly identify parties to the contract by their legal business name
- Include required ACO Participant Agreement elements
- Signature page – **required** elements:
  - Signature of person with authority to bind ACO participant
  - ACO signature from ACO Executive or Authorized to Sign
- Signature page – **suggested** elements:
  - Date
  - ACO participant legal business name
  - ACO participant TIN

Common Errors to Avoid

- Provide the correct ACO legal business name
- Provide the correct ACO participant legal business name. Be sure to include any name extensions such as “LLC,” “Incorporated,” “M.D.,” or “P.A.”
- Confirm the ACO participant’s legal business name is listed correctly in PECOS
- Make sure the ACO and the ACO participant have each signed the ACO Participant Agreement signature page
- Make sure the proper party signs. These names must match what’s in HPMS and on the ACO Participant List
- Any changes are initialed by both parties
- If the ACO participant TIN is listed in the agreement, be sure its listed correctly

ACO Participant List

Kari Vandegrift
Division of Shared Savings Program
Performance-Based Payment Policy Group
Centers for Medicare & Medicaid Services

ACO Participant List

- Includes information about the ACO participants and, in some cases, ACO providers/suppliers

- Used to determine an applicant's eligibility to become an ACO in the Shared Savings Program

- Once approved, CMS uses the ACO Participant List to:
  - Assign beneficiaries to the ACO
  - Establish the historical benchmark
  - Perform financial reconciliation
  - Determine a sample of beneficiaries for quality reporting
  - Coordinate participation in the Physician Quality Reporting System under the Shared Savings Program
  - Monitor the ACO for program integrity issues

ACO Participant List (cont.)

- Once accepted into the Shared Savings Program, ACOs must tell CMS within 30 days of a change to their ACO participants or ACO providers/suppliers

- Changes to ACO participants after the start of the agreement period affect some program operations (Refer to the Changes in ACO participants and ACO providers/suppliers during the Agreement Period Web page)

Merged and Acquired TIN

- TIN that was acquired by an ACO participant through purchase or merger
  - The ACO participant must have subsumed the acquired TIN in its entirety, including all the ACO providers/suppliers that billed under that TIN
  - All the ACO providers/suppliers that billed through the acquired TIN must reassign their billing to the ACO participant TIN. Verify this information at: https://pecos.cms.hhs.gov
  - The acquired TIN must no longer be used

- Not required on the ACO Participant List, but applicant may choose to include for retrospective beneficiary assignment and benchmarking purposes

Merged or Acquired TIN (cont.)

- Merged or acquired TINs are not ACO participants
  - A merged or acquired TIN cannot execute a participant agreement with the ACO since the entity no longer exists
  - Instead, the ACO applicant must submit other supporting documentation (see Application for more information)
  - See our FAQ page for questions about merged or acquired TINs

ACO Participant List Template

TIN	TIN Legal Business Name	Medicare Enrolled TIN (Y/N)	Merged or Acquired TIN (Y/N)	First Name of Person Authorized to Sign ACO Participant (TIN) Agreement	Last Name of Person Authorized to Sign ACO Participant (TIN) Agreement

CCN	CCN Legal Name	CCN Identification Code	Organizational NPI	Organizational NPI Name	Individual NPI	Individual NPI First Name	Individual NPI Last Name

Additional information required if the ACO participant is a:

- FQHC: CMS Certification Number (CCN) and National Provider Identifiers (NPIs)
- RHC: CCN and NPIs
- CAH billing under method II: CCN only
- Electing teaching amendment hospital: CCN only

Evaluation

CMS evaluates the ACO Participant List to:

- Verify that your ACO would have at least 5,000 assigned beneficiaries in each of the benchmark years
- Verify that ACO participants meet program requirements:
  - TIN is enrolled in Medicare
  - Information matches Medicare enrollment information
  - TIN is not participating in another Medicare initiative involving shared savings
- Screen the ACO participants and ACO providers/suppliers for program integrity history

One Opportunity to Resubmit

- Applicants will receive a report that includes the number of preliminarily assigned beneficiaries and results of screening
  - Sent by email (ACOChangeRequest@cms.hhs.gov) with an encrypted zip file attachment
  - Many applicants' firewalls block emails with encrypted attachments
    - **Take steps now to make sure this does not happen to you!**

- Applicants will be provided **ONE** opportunity to resubmit their ACO Participant List if needed

Submitting the ACO Participant List

- Upload required before finalizing the application through the Health Plan Management System (HPMS)
- Must meet basic formatting requirements
  - See instructions for the ACO Participant List in the Application Toolkit
- If there are formatting errors, the HPMS will not accept the upload and require you to correct the errors
- Don’t wait to the last minute to upload your file!

Beneficiary Assignment

Walter Adamache, Ph.D.
RTI International

ACO Beneficiary Assignment

- Preliminary prospective assignment with final retrospective beneficiary assignment
  - An ACO needs to have at least 5,000 preliminarily assigned beneficiaries in order to be in the Shared Savings Program in each of the three years preceding the start of the agreement period (2011, 2012, 2013)
  - A beneficiary assigned in one year of the program may or may not be assigned to the same ACO in the following or preceding years

- CMS uses claims submitted to Medicare for primary care services in the assignment process

- CMS uses information you provide to us on the ACO Participant List to determine which claims to attribute to your ACO

ACO Participant TINs

- ACO participant TINs are used to identify qualifying physician practice claims

- There are two types of TINs:
  - Employer Identification Number (EIN)
  - Social Security Number (SSN)

- Physician group practices use EINs on their claims

- For solo-physician practices, CMS needs the ACO participant TIN submitted on the claims
  - Some of these practices use SSNs while others (professional corporations) use EINs

Other Participating Entities

- These include:
  - RHCs
  - FQHCs
  - Method II CAHs
  - Electing Teaching Amendment (ETA) hospitals

- CMS CCNs are needed to identify the above entities in claims

- RHCs and FQHCs also must submit attestation lists of the physicians providing primary care

ACO Assignment: Individual Provider Types

- Primary Care Physicians (PCP)
  - Internal Medicine
  - Family Practice
  - General Practice
  - Geriatric Medicine
- Other physicians (M.D., D.O.)
- ACO Professionals include both of the above types of physicians plus:
  - NP
  - CNS
  - PA

ACO Assignment: Definition of Primary Care Services

- Evaluation & Management Services provided at:
  - Office or Other Outpatient settings (CPT 99201 – 99215)
  - Nursing Facility Care settings (CPT 99304 - 99318)
  - Domiciliary, Rest Home, or Custodial Care settings (CPT 99324 - 99340)
  - Home Services (CPT 99341-99350)

- Wellness Visits (HCPCS G0402, G0438, G0439)

- Clinic visits at RHC/FQHCs or by their providers in selected settings (UB revenue center codes 0521, 0522, 0524, 0525)

ACO Assignment: Beneficiary Eligibility

- A beneficiary is eligible to be assigned to an ACO if the following criteria are satisfied during the assignment period:
  - Beneficiary must have a record of Medicare enrollment
  - Beneficiary must have at least one month of Part A and Part B enrollment, and cannot have any months of only Part A or Part B
  - Beneficiary cannot have any months of Medicare group (private) health plan enrollment
  - Beneficiary must reside in the United States including Puerto Rico & Territories
  - Beneficiary must have a primary care service with a physician at the ACO

Assignment of a Beneficiary to an ACO

If a beneficiary meets the eligibility criteria, the beneficiary is assigned to an ACO using a two-step process:

Assignment Policy Step 1:

1. CMS will assign a beneficiary to a participating ACO when the beneficiary has at least one primary care service furnished by a primary care physician at the participating ACO, and more primary care services (measured by Medicare allowed charges) furnished by primary care physicians at the participating ACO than from primary care physicians at any other Shared Savings Program ACO or non-ACO individual or group TIN.

Assignment of a Beneficiary to an ACO (cont.)

Assignment Policy Step 2:

2. This step applies only for beneficiaries who haven't gotten any primary care services from a primary care physician. CMS will assign the beneficiary to the participating ACO in this step if the beneficiary got at least 1 primary care service from a physician at the participating ACO, and more primary care services (measured by Medicare allowed charges) from ACO professionals (physician regardless of specialty, NP, PA, or CNS) at a participating ACO than from any other ACO or non-ACO individual or group TIN.

ACO Assignment: Notes for Following Examples

- Organizational ID (example A0101)
  - Is the A# for each ACO?—All TINs and CCNs on an ACO's Participant List are associated with the ACO's A#
  - TIN or CCN for non-ACO practices and providers

- For each beneficiary assignment example, the top row indicates the ACO or non-ACO provider to which the beneficiary was assigned

ACO Assignment: Example 1

		Allowed Charges for Primary Care Services	
Beneficiary	**Organization ID**	**PCP**	**ACO Professional**
A1	A9999	$454	$654
A1	555555555	$300	$1,900
A1	456565656	$250	$2,500

Beneficiary A1 is assigned to ACO A9999 because A9999 had the highest allowed charges for primary care services provided by a primary care physician ($454) even though two other non-ACO practices had higher allowed charges provided by ACO professionals

ACO Assignment: Example 2

		Allowed Charges for Primary Care Services	
Beneficiary	**Organization ID**	**PCP**	**ACO Professional**
B3	333333333	$1,200	$1.250
B3	A5656	$800	$800
B3	A9999	$600	$700

Beneficiary B3 is assigned to a non-ACO provider (333333333) because it had the highest allowed charges for primary care services provided by a primary care physician ($1,200)

ACO Assignment: Example 3

		Allowed Charges for Primary Care Services	
Beneficiary	**Organization ID**	**PCP**	**ACO Professional**
A3	A9999	$0	$300
A3	555555555	$0	$250
A3	333333333	$0	$200

Beneficiary A3 did not receive any primary care services from a primary care physician. So A3 is assigned to ACO A9999 on the basis of the highest allowed charges for primary care services provided by ACO professionals ($300)

Assigned Beneficiaries for Three Typical ACOs

	ACO 1	ACO 2	ACO 3
Beneficiaries provided at least one primary care service by a physician in this ACO (beneficiaries assignable to this ACO)	11,839	28,127	24,297
Assigned Beneficiaries	7,570	10,245	16,588
Excluded Beneficiaries	4,269	17,882	7,709
ACO did not provide a plurality of primary care services	4,008	17,211	6,703
At least one month of Part A-only or Part B-only coverage	93	284	810
At least one month in a group health plan	241	986	619
At least one month of non-US residence	1	2	6
Included in other shared savings initiatives	17	2	12

ACO Professionals Affiliated with the Three Typical ACOs

Type of ACO Professional	ACO 1	ACO 2	ACO 3
Primary care physicians	65	188	244
Other specialist physicians (e.g., cardiologists)	81	193	182
PAs, NPs, Clinical Nurse Specialists	22	107	10

Assigned Beneficiaries for Three ACOs that did not Achieve the 5,000 Threshold

	ACO A	ACO B	ACO C
Beneficiaries provided at least one primary care service by a physician in this ACO (beneficiaries assignable to this ACO)	7,064	8,486	14,130
Assigned Beneficiaries	4,817	4,720	4,452
Excluded Beneficiaries	2,247	3,766	9,678
ACO did not provide A plurality of primary care services	2,004	3,413	9,187
At least one month of Part A-only or Part B-only coverage	99	59	608
At least one month in a group health plan	198	480	368
At least one month of non-US residence	4	2	4
Included in other shared savings initiatives	16	27	5

ACO Professionals Affiliated with the Three ACOs that did not Achieve the 5,000 Threshold

Type of ACO Professional	ACO 1	ACO 2	ACO 3
Primary care physicians	26	33	33
Other specialist physicians (e.g., cardiologists)	16	3	43
PAs, NPs, Clinical Nurse Specialists	8	4	4

Application Reminders

Laura Dash
Director, Division of Application, Compliance & Outreach
Performance-Based Payment Policy Group
Centers for Medicare & Medicaid Services

Application Cycle: Deadlines to Apply for Program Year 2015

Notice of Intent to Apply Process	Deadlines
NOI Memo Posted on CMS Web site	April 1, 2014
NOI Form Posted on CMS Web site	May 1, 2014
NOI Accepted	May 1, 2014 – May 30, 2014
NOI Due	**May 30, 2014 at 8:00 pm Eastern Time**
CMS User ID Forms Accepted	May 6, 2014 – June 9, 2014

Application Process	Deadlines
Application Posted on CMS Web site	May 30, 2014
Applications Accepted	July 1, 2014 – July 31, 2014
Applications Due	**July 31, 2014 at 8:00 pm Eastern Time**
Application Approval or Denial Decision Sent to Applicants	Fall 2014
Reconsideration review deadline	15 Days from Notice of Denial

Upcoming Application Calls

Save the date:

- June 10: 2015 Application Submission Review
- July 8: Training on HPMS Application Module Submission
- July 15: ACO Application Question & Answer Session

Contacts for Assistance

- Shared Savings Program Application Web site
- For NOI submission and application questions: SSPACO_Applications@cms.hhs.gov
- For help with Form CMS-20037, and CMS User ID (e.g. new access to HPMS, trouble finding the HPMS Web site): HPMS_Access@cms.hhs.gov or (800) 220-2028
- For password resets and if you account is locked: CMS_IT_Service_Desk@cms.hhs.gov or 1-800-562-1963
- For help using HPMS and technical assistance: HPMS_Access@cms.hhs.gov or (800) 220-2028

Question and Answer Session

Evaluate Your Experience

- Please help us continue to improve the MLN Connects National Provider Call Program by providing your feedback about today's call.
- To complete the evaluation, visit http://npc.blhtech.com/ and select the title for today's call.
- Evaluations are anonymous, confidential, and voluntary.
- All registrants will receive a reminder email about the evaluation for this call. Please disregard the email if you have already completed the evaluation.
- We appreciate your feedback.

Thank You

- For more information about the MLN Connects National Provider Call Program, please visit http://cms.gov/Outreach-and-Education/Outreach/NPC/index.html

- For more information about the Medicare Learning Network (MLN), please visit http://cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNGenInfo/index.html