

States Advancing All-Payer Health Equity Approaches and Development (AHEAD)

Model Overview Factsheet

MODEL PURPOSE

The States Advancing All-Payer Health Equity Approaches and Development (AHEAD) Model is a state total cost of care (TCOC) model designed to **curb growth in health care cost spending, improve population health, and advance health equity by reducing disparities in health outcomes**. The CMS Innovation Center has identified State TCOC models as one approach to **drive accountable care, advance health equity, and achieve health system transformation**.

AHEAD MODEL FLEXIBLE STATE FRAMEWORK

The AHEAD Model is a flexible framework designed to improve health care outcomes for people residing in participating states. AHEAD will use hospital global budgets and a primary care program (Primary Care AHEAD) to assist states in achieving higher quality care delivery, increasing investment in primary care, and supporting the delivery of advanced primary care - all while controlling overall growth in health care costs.

Statewide Accountability Targets¹

Medicare and All-Payer Cost Growth, Medicare and All-Payer Primary Care Investment, and Equity and Population Health Outcomes through State Agreements with CMS

Components



Cooperative Agreement Funding



Hospital Global Budgets
(facility services)



Primary Care AHEAD

Strategies

Equity Integrated
Across Model

Behavioral Health
Integration Across
Care Settings

All-Payer Approach

Medicaid Alignment

Accelerating Existing
State Innovations

WHO PARTICIPATES IN THE AHEAD MODEL?



STATES

All 50 US states, Washington, D.C., and territories (collectively, "states") with at least 10,000 Medicare FFS Part A and Part B beneficiaries in the state or sub-region are eligible to apply to participate in AHEAD. Model participation is limited to 8 states. States may apply to participate at the state level or designate a sub-state region, subject to CMS approval.



PROVIDERS

Primary care practices, hospitals, and health systems may participate in this model if their state is selected to participate, and they practice or are located in either the state or sub-state region.

¹ Please reference the coming NOFO for additional details.

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PRIMARY CARE AHEAD

Primary Care AHEAD will consist of a voluntary, beneficiary-focused advanced primary care program designed to align Medicare with state-led primary care efforts. It has an overarching, flexible framework of care transformation priorities that will complement statewide Medicaid primary care priorities.

Primary Care AHEAD Components:



The Medicare Enhanced Primary Care Payment (EPCP) will be a quarterly, prospective, per-beneficiary payment. A portion of this payment will be at risk for quality performance.



Corresponding care transformation requirements for participating primary care practices will fall into 3 categories: **behavioral health integration, care management and specialty coordination**, and **health related social needs (HRSN)**.

Program Goals:



Increase primary care investment



Align payers



Support advanced primary care



Broaden participation, including FQHCs, RHCs and small practices

HOSPITAL GLOBAL BUDGETS

A hospital global budget (HGB) is when a hospital receives a pre-determined, fixed annual budget. In the AHEAD Model, global budgets are calculated based on Medicare and Medicaid payments in previous years, and updates are calculated to reflect inflation, as well as changes in populations served and services provided. HGBs will be a key tool for achieving all-payer and Medicare FFS cost growth targets. **Through global budgets, a hospital can focus on reducing potentially avoidable utilization, collaborating with providers for a more coordinated beneficiary experience, and improving health outcomes.**



MEDICARE FFS HOSPITAL GLOBAL BUDGET ELIGIBILITY

Medicare-enrolled facilities in good standing with CMS, located in a participating state or sub-state region, may be eligible to participate

ELIGIBLE PROVIDER TYPES:



Acute Care Hospitals (ACH)



Critical Access Hospitals (CAH)



Rural Emergency Hospitals* (REH)

*Eligible in states that enact enabling legislation during the performance period



HGB METHODOLOGY SUMMARY

- Participating states with statewide rate setting or hospital global budget authority and experience in value-based care can develop their own hospital global budget methodology.
- States without these authorities will use a CMS-designed Medicare FFS global budget methodology.
- The CMS-designed Medicare FFS global budget methodology will include a Transformation Incentive Adjustment for PY1-2 to support hospital transitions to HGBs. It will also include social-risk adjustments, quality adjustments for ACHs, a CAH quality program and other safety-net provider considerations, and a health equity improvement bonus.

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AHEAD MODEL & HEALTH EQUITY



CMS defines health equity as the attainment of the highest level of health for all people, where everyone has a fair and just opportunity to attain their optimal health regardless of race, ethnicity, disability, sexual orientation, gender identity, socioeconomic status, geography, preferred language, or other factors that affect access to care and health outcomes.

The AHEAD Model aims to advance health equity in alignment with the [CMS Framework for Health Equity](#) in the following ways:

-  **Develop State Health Equity Plans & Quality Targets** for participating states, which will inform statewide equity strategies and support quality improvement
-  **Enhance Partnerships between Participating States, Providers, and the Communities** to meet model goals
-  **Increase Safety Net Provider Recruitment** among hospitals and primary care providers in AHEAD to reach vulnerable populations
-  **Use Social Risk Adjustment** of provider payments to increase resources available to care for vulnerable populations
-  **Utilize Health Related Social Needs Screening by Hospitals and Primary Care Providers** to identify unmet needs and connect patients to community resources

MULTI-PAYER ALIGNMENT AND MEDICAID PARTICIPATION

Given the AHEAD Model focus on improving population health for all residents of participating states, multi-payer alignment and Medicaid participation in the model is essential to achieve the model goals.

Medicaid Alignment to Hospital Global Budgets	Medicaid Alignment on Primary Care	State Levers and Payer Alignment Opportunities
States will develop methodology for Medicaid's participation in hospital global budgets (HGBs) for implementation in PY1. CMS will partner with states on developing the methodology and seeking approvals for any changes needed to their programs.	Each state participating in the model must establish a Medicaid primary care APM or patient centered medical home by PY1. Practices participating in Primary Care AHEAD must also participate in Medicaid APMs.	States will use regulatory levers and authority to incentivize other payers to participate in HGBs. States may consider different opportunities to encourage or require payer participation. At least one payer must participate by PY2.

APPLICATION PROCESS AND TIMELINE

		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Model Year			MY1	MY2	MY3	MY4	MY5	MY6	MY7	MY8	MY9	MY10	MY11
1st NOFO Period	Cohort 1	NOFO	Pre-Implementation (18 mos)		PY1	PY2	PY3	PY4	PY5	PY6	PY7	PY8	PY9
	Cohort 2		Pre-Implementation (30 mos)			PY1	PY2	PY3	PY4	PY5	PY6	PY7	PY8
2nd NOFO Period	Cohort 3		NOFO	Pre-Implementation (24 mos)		PY1	PY2	PY3	PY4	PY5	PY6	PY7	PY8

The AHEAD Model will operate for 11 years. The Notice of Funding Opportunity (NOFO) provides cooperative agreement funding to successful applicants, for up to 6 years, to support participation in this Model.

The NOFO is anticipated to be released in late Fall 2023, with applications due in early 2024 for the first NOFO period. The application period will be 90-days. A second NOFO period will open in spring 2024. This timeline is tentative and may evolve.

Model Contact Information and Resources

Email: AHEAD@cms.hhs.gov

Grant Opportunity Forecast: <https://www.grants.gov/web/grants/view-opportunity.html?oppId=>