



Medicare Shared Savings Program

ADVANCE INVESTMENT PAYMENTS

Guidance

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Version #1

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MEDICARE
SHARED SAVINGS
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Table of Contents

1	Overview	1
2	Eligibility	2
3	Application Process	4
	3.1 PHASE 1	4
	3.1.1 Participation Options Report	5
	3.2 PHASE 2	5
4	Program Details	8
	4.1 ADVANCE INVESTMENT PAYMENT CALCULATION	9
	4.2 ESTIMATING TOTAL AIP FUNDING	11
	4.3 ADVANCE INVESTMENT PAYMENT USES	11
	4.4 ROLES FOR COMMUNITY BASED ORGANIZATIONS	14
	4.5 PUBLIC REPORTING REQUIREMENTS.....	15
	4.6 MONITORING OF AIP.....	16
	4.7 ACO SIGNING EVENT.....	16
	4.8 TERMINATION OF ADVANCE INVESTMENT PAYMENTS	16
	4.9 RECOUPMENT OF ADVANCE INVESTMENT PAYMENTS AND NOTICE OF BANKRUPTCY	17
	4.9.1 RECOUPMENT	17
	4.9.2 NOTICE OF BANKRUPTCY	17

1 Overview

In alignment with a goal of the Centers for Medicare & Medicaid Services (CMS) to advance health equity, CMS finalized policies at [42 CFR § 425.630](#) to offer a new payment option in the Medicare Shared Savings Program (Shared Savings Program), known as Advance Investment Payments (AIP). AIP offers eligible ACOs advance shared savings payments, including an upfront payment of \$250,000 and two years of quarterly payments (for additional details refer to [Section 4.2](#)). Advance investment payments are intended to encourage low revenue ACOs that are inexperienced with risk to participate in the Shared Savings Program and to provide additional resources to such ACOs to support care improvement for underserved beneficiaries. Advance investment payments will provide an opportunity for entities in rural and underserved areas to join together to form ACOs, 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 are designed to encourage new ACOs to join the Shared Savings Program and support their success by providing upfront payments to offset the additional start-up and ongoing costs often required of new ACOs. These investments in care delivery and quality often pose a significant financial burden to small organizations, including those delivering care in underserved areas, and organizations that serve medically complex patients. By offering AIP, CMS seeks to encourage health care providers in rural and underserved areas to join together to form ACOs.

An ACO must use advance investment payments to improve the quality and efficiency of items and services furnished to beneficiaries by investing in increased staffing, health care infrastructure, and the provision of accountable care for underserved beneficiaries, which may include addressing social determinants of health. ACOs must also publicly report on their website the amount of any advance investment payments received and the actual amount spent in each of the spend plan categories.

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, in accordance with [42 CFR § 425.630\(d\)](#) and as described in further detail in this document. To receive these payments, an ACO must be a new applicant to the Shared Savings Program, indicate interest in AIP as part of its initial application, and receive final approval to participate in the Shared Savings Program from CMS. CMS will monitor ACOs receiving advance investment payments to ensure they maintain their eligibility during program participation and otherwise comply with all applicable Shared Savings Program requirements.

Advance investment payments are a pre-payment of shared savings that the ACO is expected to generate by succeeding in the Shared Savings Program. CMS will recoup advance investment payments once the ACO begins to achieve shared savings in the current agreement period and, if a balance persists, in subsequent agreement periods.

If the ACO does not achieve shared savings, CMS will not recoup advance investment payments, unless the ACO terminates its participation in the Shared Savings Program in the first agreement period or is involuntarily terminated, in which case the ACO must repay all advance investment payments received.

2 Eligibility

To be eligible to begin receiving advance investment payments, at the time of the Shared Savings Program applicable application cycle, an ACO must:

- Not be a renewing ACO or re-entering ACO (as defined under [42 CFR § 425.20](#)).
- Apply to participate in and be determined by CMS as eligible to participate in the Shared Savings Program under any level of the BASIC track glide path* (i.e., Levels A-E). ACOs participating in the ENHANCED track are not eligible for AIP.
- Be inexperienced with performance-based risk Medicare ACO initiatives (as defined under [42 CFR § 425.20](#)).
- Be a low revenue ACO (as defined under [42 CFR § 425.20](#)).

Refer to [42 CFR § 425.630\(b\)](#).

*Currently, ACOs joining the Shared Savings Program at Levels B through E of the BASIC track will not be eligible to receive all 8 quarters of advance investment payments. This is because an ACO must be inexperienced with performance-based risk Medicare ACO initiatives to be eligible to receive advance investment payments and Levels C through E of the BASIC track are defined as performance-based risk Medicare initiatives (refer to [42 CFR § 425.20](#)). For example, if an ACO elects to participate at Level B of the BASIC track for the first performance year and transitions on the glide path to Level C for the second performance year, the ACO will not be eligible for advance investment payments in performance year 2. Likewise, an ACO joining at BASIC track Level C through E would not be eligible for any advance investment payments as the ACO is experienced with performance-based risk upon signing its agreement. (For additional details refer to [Section 4.2](#)).

Renewing ACO: Renewing ACOs are not eligible to receive advance investment payments. A renewing ACO is an ACO whose participation agreement expired and that immediately enters a new agreement period to continue its participation in the program, or an ACO that terminated its current participation agreement under [42 CFR § 425.220](#) and immediately enters a new agreement period to continue its participation in the.

Re-entering ACO: Re-entering ACOs are not eligible to receive advance investment payments. A re-entering ACO is an ACO that either 1) is the same legal entity that previously participated in the Shared Savings Program and is applying to participate in the Shared Savings Program after a break in participation, because it is either a) an ACO whose participation agreement expired without having been renewed, or b) an ACO whose participation agreement was terminated under [42 CFR § 425.218](#) or

[42 CFR § 425.220](#); or 2) is a new legal entity that has never participated in the Shared Savings Program and is determined by CMS to be re-entering because more than 50 percent of its ACO participants participated in the same Shared Savings Program ACO in any of the five most recent performance years.

Inexperienced with performance-based risk Medicare ACO initiatives: To be eligible for advance investment payments, ACOs must be inexperienced with performance-based risk Medicare ACO initiatives. An ACO inexperienced with performance-based risk Medicare ACO initiatives is an ACO that CMS determines meets all of the following requirements:

- (1) The ACO is a legal entity that has not participated in any performance-based risk Medicare ACO initiative, and has not deferred its entry into a second Shared Savings Program agreement period under a two-sided model under [42 CFR § 425.200\(e\)](#).
- (2) Less than 40 percent of the ACO's ACO participants participated in a performance-based risk Medicare ACO initiative, or in an ACO that deferred its entry into a second Shared Savings Program agreement period under a two-sided model under [42 CFR § 425.200\(e\)](#), in each of the 5 most recent performance years prior to the agreement start date.

Performance-based risk Medicare ACO initiative: Performance-based risk Medicare ACO initiative means an initiative implemented by CMS that requires an ACO to participate under a two-sided model during its agreement period, including the following options and initiatives:

- (1) Participation options within the Shared Savings Program as follows:
 - (i) For performance years beginning prior to January 1, 2023, BASIC track (Levels A through E).
 - (ii) For performance years beginning January 1, 2023 and in subsequent years, BASIC track (Levels C through E).
 - (iii) ENHANCED track.
 - (iv) Track 2.
- (2) The Innovation Center ACO models under which an ACO accepts risk for shared losses as follows:
 - (i) Pioneer ACO Model.
 - (ii) Next Generation ACO Model.
 - (iii) Comprehensive ESRD Care Model two-sided risk tracks.
 - (iv) Track 1+ Model.
- (3) Other initiatives involving two-sided risk as may be specified by CMS.

Low revenue ACO: To be eligible for advance investment payments, ACOs must be a low revenue ACO. A low revenue ACO means an ACO whose total Medicare Parts A and B fee-for-service revenue of its ACO participants is less than 35 percent of the total Medicare Parts A and B fee-for-service expenditures for the ACO's assigned beneficiaries based on revenue and expenditures for the most recent calendar year for which 12 months of data are available.

3 Application Process

An ACO interested in AIP must complete and submit for CMS review both phases of the Shared Savings Program application through the [ACO Management System \(ACO-MS\)](#) by the deadlines specified on the [Application Types & Timeline webpage](#). In order to receive advance investment payments, an ACO must meet all eligibility requirements for the Shared Savings Program in addition to all eligibility requirements for AIP. While an ACO will not submit to CMS supplemental information specifically for AIP until Phase 2 of its Shared Savings Program application, there are key elements in Phase 1 of the Shared Savings Program application that CMS will use to determine the ACO's eligibility for the Shared Savings Program as well as for AIP. The [Application Toolkit](#) webpage provides resources to assist with the completion of the application.

3.1 PHASE 1

During Phase 1 of the Shared Savings Program application, an ACO will submit required elements as part of the Shared Savings Program application for CMS review. An ACO may receive up to two requests for information (RFI) notification summarizing CMS' review of submitted information during Phase 1 of the Shared Savings Program application. Additional information regarding applying to the Shared Savings Program, including the required elements for the Phase 1 and RFI process, can be found in the [Application Toolkit](#) and the [Application Types & Timeline](#) webpage.

REMINDER
Information regarding how to submit to CMS an ACO Participant List is located within the ACO Participant List and Participant Agreement Guidance .

Additionally, as part of the Phase 1 Shared Savings Program application, the ACO will need to make a track selection. Only an ACO selecting the BASIC track can be eligible for AIP. An ACO joining Shared Savings Program at Levels B through E of the BASIC track glide path will not be eligible to receive all advance investment payments (for additional details refer to [Section 4.2](#)).

The revenue, risk experience and re-entering eligibility requirements for an ACO interested in AIP ([42 CFR § 425.630\(b\)](#)) are determined from the ACO Participant List submitted for CMS review by the ACO during Phase 1 of the Shared Savings Program application. The ACO entity TIN itself must also meet the eligibility requirements (refer to [Section 2](#) of this guidance, above, for eligibility requirements related to the ACO entity TIN).

3.1.1 Participation Options Report

The *Participation Options Report* provided with the two RFIs released during Phase 1 of the Shared Savings Program application (RFI-1 and RFI-2) will contain a preliminary AIP eligibility indicator. An ACO may review the *Participation Options Report Data Dictionary* in the Application Cycle subtab (via the information bubble) in the [ACO-MS](#) for more information about how to understand its Participation Options Report. The Participation Options Report released with Phase 1 Final Dispositions will provide a final AIP eligibility determination. Eligibility information will also be available in the Application Cycle subtab in ACO-MS.

In addition to eligibility information, the Participation Options Report will contain an ACO's quarterly payment estimate. **All payment amounts provided during the application process are estimates only.** An ACO's quarterly payment amount will be determined prior to the start of each quarter based on the latest available beneficiary assignment list for the performance year. More information on advance investment payment calculations and the payment schedule can be found in [Section 4.1](#).

3.2 PHASE 2

During Phase 2 of the Shared Savings Program application, an ACO that is eligible for AIP will have an opportunity to indicate its interest in receiving advance investment payments and submit supplemental information for CMS review. This supplemental information must be timely submitted and meet the requirements set forth at [42 CFR § 425.630](#).

An ACO that has timely indicated its interest in receiving AIP during Phase 2 of the Shared Savings Program application may receive an RFI notification summarizing CMS' review of the submitted information. The ACO should carefully review any RFI sent by CMS because it will have only one opportunity to correct any deficiencies identified during Phase 2 of the Shared Savings Program application.

An ACO interested in receiving advance investment payments must:

- Submit a spend plan for CMS review that specifies how the ACO intends to spend the advance investment payments during the agreement period to build care coordination capabilities (including coordination with community-based organizations, as appropriate), and address specific health disparities. An example spend plan is provided below.
 - The spend plan must identify the categories of goods and services that will be purchased with advance investment payments, the dollar amounts to be spent on the various categories, and the general timing of those purchases. More details can be found below in [Section 4.3](#).
 - CMS may require the ACO to make changes to the spend plan to comply with relevant requirements, such as the obligation to use advance investment

payments only for an allowable use as specified in [42 CFR § 425.630\(e\)\(1\)](#). More details can be found below in [Section 4.3](#).

- Certify that the ACO agrees to meet all applicable Shared Savings Program requirements related to AIP including, but not limited to, public reporting of advance investment payment spending, compliance and monitoring for AIP, and ensuring advance investment payments are segregated from all other revenues by establishing and maintaining a separate account into which all advance investment payments will be deposited immediately and from which all disbursements of such funds are made only for allowable uses (for more information, refer to the [ACO Banking Form Instructions](#)).

Note that while an ACO is not asked to report actual spending when submitting the AIP supplemental information as part of the Shared Savings Program application to CMS, an ACO will need to provide information on its use of advance investment payments and any other changes to their projected spending for each performance year.

Sample Spend Plan:

Payment Use	General Spend Category	General Spend Subcategory	Projected Spending 2024	Actual Spending 2024	Projected Spending 2025	Actual Spending 2025	Projected Spending 2026	Actual Spending 2026	Projected Spending 2027	Actual Spending 2027	Projected Spending 2028	Actual Spending 2028
<i>Line Item Description</i>	<i>Selected Category from Drop-Down*</i>	<i>Selected Subcategory from Drop-Down*</i>	<i>Dollar Amount</i>	<i>Dollar Amount</i>	<i>Dollar Amount</i>	<i>Dollar Amount</i>	<i>Dollar Amount</i>	<i>Dollar Amount</i>	<i>Dollar Amount</i>	<i>Dollar Amount</i>	<i>Dollar Amount</i>	<i>Dollar Amount</i>
<i>Continue for all line items</i>												
...												
Subtotals			<i>Total Dollars Projected</i>	<i>Total Dollars Spent</i>	<i>Total Dollars Projected</i>	<i>Total Dollars Spent</i>	<i>Total Dollars Projected</i>	<i>Total Dollars Spent</i>	<i>Total Dollars Projected</i>	<i>Total Dollars Spent</i>	<i>Total Dollars Projected</i>	<i>Total Dollars Spent</i>

Spend Plan Summary	
Projected Total Advance Investment Payments	<i>Estimate from Participation Options Report and/or received payments</i>
Actual Spending	<i>Sums Actual Spending Columns</i>
Future Projected Spending	<i>Sums Projected Spending for future years</i>
Remaining Funding to Allocate	<i>Total Funding – (Actual Spending + Projected Spending)</i>

*For a list of General Spend Categories and Subcategories of Permissible Uses of Advance Investment Payments, refer to AIP Guidance Document [Section 4.3](#) "ADVANCE INVESTMENT PAYMENT USES."

4 Program Details

The payment amount includes a one-time, upfront fixed payment of \$250,000. If the ACO maintains eligibility requirements and remains in compliance with CMS requirements (refer to [Section 4.2](#)), it receives additional quarterly payments for two years of up to \$45 per beneficiary per quarter, (the amount is based on assigned beneficiaries' attributes, including Area Deprivation Index (ADI) score, Medicare Part D Low Income Subsidy (LIS) status, and dual eligibility for Medicare and Medicaid). There is a 10,000-beneficiary cap for the calculation of quarterly payments. More information on the ACO's quarterly payment estimates is provided during the Shared Savings Program application process in the ACO's *Participation Options Report* and in the *Participation Options Report Data Dictionary*.

An ACO that receives advance investment payments must comply with all applicable AIP regulations ([42 CFR § 425.630](#)) including, but not limited to, public reporting of advance investment payment spending ([42 CFR § 425.308\(b\)\(8\)](#)), continued eligibility for AIP ([42 CFR § 425.316\(e\)](#)), and creation of a separate account for the deposit of advance investment payments ([42 CFR § 425.630\(e\)\(4\)](#)). Failure to comply with these requirements may result in the termination of an ACO's advance investment payments or of the ACO from the Shared Savings Program as required by [42 CFR § 425.630\(h\)\(1\)](#).

An ACO must segregate advance investment payments from all other revenues by establishing and maintaining a separate account into which all advance investment payments will be deposited immediately and from which all disbursements of such funds are made only for allowable uses, as required by [42 CFR § 425.630\(e\)\(4\)](#).

Advance investment payments will be deposited in the identified account on the submitted and approved [Form CMS-588](#) during Phase 1 of the Shared Savings Program application, as required by the [ACO Banking Form Instructions](#). Advance investment payments should be immediately transferred to meet the requirement that an ACO must segregate advance investment payments from all other revenues. If the ACO is eligible to receive shared savings, the ACO's shared savings payments, per guidance found in the [ACO Banking Form Instructions](#), will also be deposited to the same identified account on the Form CMS-588 submitted during application.

If an ACO terminates its participation agreement during the agreement period in which it received an advance investment payment, the ACO must repay all advance investment payments it received, as required by [42 CFR § 425.630\(g\)\(4\)](#). CMS will provide written notification to the ACO of the amount due, and the ACO must pay such amount no later than 90 days after the receipt of such notification.

Section [42 CFR § 425.630](#) outlines the criteria that CMS will use to determine specific payment amounts, appropriate funding uses, public reporting requirements, monitoring of AIP eligibility, AIP ACO signing event requirements, AIP terminations, and

recoupment of advance investment payments ([42 CFR § 425.630](#)). These policies are described in the subsections below.

4.1 ADVANCE INVESTMENT PAYMENT CALCULATION

Eligible ACOs will receive a one-time payment of \$250,000 at or near the beginning of the first performance year of the ACO's agreement period, as described in [42 CFR § 425.630\(f\)\(1\)](#). If the ACO maintains eligibility requirements and remains in compliance with all applicable Shared Savings Program and CMS requirements, quarterly payments will be made for the first 2 performance years of the ACO's agreement period, as described in [42 CFR § 425.630\(f\)\(2\)](#).

Advance Investment Payment Schedule

	January: PY 1	April: PY 1	July: PY 1	October: PY 1	January: PY 2	April: PY 2	July: PY 2	October: PY 2
Payment Type	One-time Payment; Quarterly Payment based on PY 1 initial assignment report	Quarterly Payment based on PY 1 initial assignment report	Quarterly Payment based on PY 1 Quarter 1 assignment report	Quarterly Payment based on PY 1 Quarter 2 assignment report	Quarterly Payment based on PY 2 initial assignment report	Quarterly Payment based on PY 2 initial assignment report	Quarterly Payment based on PY 2 Quarter 1 assignment report	Quarterly Payment based on PY 2 Quarter 2 assignment report

ACOs will receive an advance investment payment report package for each quarterly payment as outlined in the table above. This package will include information regarding the advance investment payment calculation for the current quarter, the total advance investment payments received by the ACO through the current quarter, and a beneficiary-level file that includes ADI, LIS/Dual Eligibility Status, the beneficiary's Risk Factors-Based Score, and per beneficiary advance investment payment amount for each beneficiary assigned to the ACO.

Quarterly payments will be determined prior to the quarter and based on the latest available assignment list because the individual beneficiaries assigned to the ACO may change between annual and quarterly assignment runs.

- For ACOs under preliminary prospective assignment with retrospective reconciliation, the assignment list is updated quarterly based on the most recent 12 months of data.
- For ACOs under prospective assignment, the assignment list is updated quarterly to exclude beneficiaries who meet any of the exclusion criteria during the performance year, so using the latest available assignment list to determine the upcoming quarterly payment will more accurately reflect the attributes of the ACO's assigned population.

To calculate the ACO's quarterly payment:

- **Step 1:** Determine the ACO's assigned beneficiary population. The assigned beneficiaries used in determining the quarterly payment amount would be the beneficiaries most recently assigned to the ACO and as reflected in the ACO's most recently delivered assignment report under [42 CFR § 425.400\(a\)\(2\)](#) (for ACOs under preliminary prospective assignment with retrospective reconciliation) or [42 CFR § 425.400\(a\)\(3\)](#) (for ACOs under prospective assignment), based on the certified ACO participant list for the relevant performance year.
- **Step 2:** Assign each beneficiary a risk factors-based score. For each beneficiary in the assigned population identified in Step 1, CMS assigns a risk factors-based score as follows:
 - The risk factors-based score will be set to 100 if the beneficiary is enrolled in the Medicare Part D LIS or is dually eligible for Medicare and Medicaid.
 - The risk factors-based score will be set to the ADI national percentile rank matched to the beneficiary's mailing address if (a) the beneficiary is not enrolled in the Medicare Part D LIS or is not dually eligible for Medicare and Medicaid, and (b) sufficient data is available to match the beneficiary to an ADI national percentile rank.
 - The risk factors-based score will be set to 50 if the beneficiary is not enrolled in the Medicare Part D LIS or is not dually eligible for Medicare and Medicaid and sufficient data is not available to match the beneficiary to an ADI national percentile rank.
- **Step 3:** Determine a beneficiary's payment amount. For each beneficiary in the assigned population, CMS determines the payment amount that corresponds to the beneficiary's risk factors-based score according to the per beneficiary payment amounts specified by CMS.

Quarterly Per Beneficiary Payment Amounts

By Beneficiary Risk Factors-Based Score	Per Beneficiary Advance Investment Payment (\$)
1-24	\$0.00
25-34	\$20.00
35-44	\$24.00
45-54	\$28.00
55-64	\$32.00
65-74	\$36.00
75-84	\$40.00
85-100	\$45.00

- **Step 4:** Calculate the ACO's total quarterly advance investment payment amount. The ACO's quarterly advance investment payment amount is equal to the sum of the payment amounts corresponding to each assigned beneficiary's risk factors-based score, capped at 10,000 beneficiaries. If the ACO has more than 10,000 assigned beneficiaries, CMS calculates the quarterly advance investment payment amount based on the 10,000 assigned beneficiaries with the highest risk factors-based scores.

4.2 ESTIMATING TOTAL AIP FUNDING

In order to complete the spend plan in the AIP supplemental section, each ACO will need to estimate the total amount of funding it will receive through AIP. As each quarterly payment may change due to changes in assigned beneficiaries and the risk factors-based score, CMS expects this to be a rough estimate that will change over time. CMS will provide each eligible ACO with this estimate in its *Participation Options Report*. The purpose of this estimate is to assist an ACO with developing its plan to spend the advance investment payments during the five-year agreement period.

Total advance investment payments can be estimated as follows:

- If entering at Level A of the BASIC track—Multiply the estimated quarterly payment found in the *Participation Options Report* by eight, and then add \$250,000.
- If entering at Level B of the BASIC track—Multiply the estimated quarterly payment found in the *Participation Options Report* by four, and then add \$250,000.
- If entering at Level C through E of the BASIC track—The ACO will be unable to receive any advance investment payments because it will not be determined by CMS as inexperienced with performance-based risk Medicare ACO initiatives (as defined at 42 CFR § 425.20).

4.3 ADVANCE INVESTMENT PAYMENT USES

An ACO must use advance investment payments to improve the quality and efficiency of items and services furnished to beneficiaries. Advance investment payments must be spent on one of the following categories: increased staffing, health care infrastructure, and the provision of accountable care for underserved beneficiaries, which may include addressing social determinants of health ([42 CFR § 425.630\(e\)\(1\)](#)). These are the only allowable uses for advance investment payments. ACOs may share AIP payments with entities such as Community Based Organizations as long as the funding is spent on an allowable use category.

To accurately track use of advance investment payments, CMS is tracking expenditure subcategories within the three allowable use categories. ACOs may spend advance investment payments on any of the subcategories of permissible uses of advance investment payments noted in Table 1 below, including the line items for “other” expenditure, provided that all expenditures constitute an allowable use.

Table 1 Subcategories of Permissible Uses of Advance Investment Payments

Increased Staffing	Provision of Accountable Care for Underserved Beneficiaries	Health Care Infrastructure
<ul style="list-style-type: none"> • Physician • Physician assistant, nurse practitioner, or clinical nurse specialist • Registered dietitian or nutrition professional • Case manager • Licensed Clinical Social Worker • Community health worker • Patient navigator • Health equity officer • Other Staff (explain in “Payment Use”) <p><u>Behavioral health clinicians:</u></p> <ul style="list-style-type: none"> • Psychiatrist • Clinical Psychologist • Marriage and Family Therapists • Mental health counselors or Licensed Professional Counselors • Substance use counselors • Peer support specialists • Behavioral health case managers • Behavioral health care coordinators <p><u>Oral health providers:</u></p> <ul style="list-style-type: none"> • Public Health Dental Hygiene Practitioner • Dental Hygienist • Dentist <p><u>Education:</u></p> <ul style="list-style-type: none"> • Training staff to provide culturally and linguistically tailored services • Training staff to provide trauma-informed care 	<p><u>General health-related social needs services:</u></p> <ul style="list-style-type: none"> • Screening for social needs • Comprehensive assessments • Social care coordination • Follow-up to ensure social needs are being addressed • Substance abuse counseling/programs <p><u>Food security services and supports:</u></p> <ul style="list-style-type: none"> • Nutrition education/counseling • Nutrition support • Medically tailored meals after hospital discharge • Medically tailored meals for a chronic condition • Partnership with food bank • Grocery store, farmers market, or other food voucher • Application for food-related benefits • Other food-related services (explain in “Payment Use”) <p><u>Housing-related services and supports:</u></p> <ul style="list-style-type: none"> • Home or environmental modifications to support a healthy lifestyle • Community transition costs • Assisting with housing search, training on how to search for available housing • Housing and environmental assessments, to ensure housing and environment are safe • Moving expenses • Securing documentation and fees to apply for housing • Early identification and intervention for behaviors that may jeopardize housing • Education on the role, rights, and responsibilities of the tenant and landlord • Connecting an individual to community resources or benefits to maintain housing stability • Rapid rehousing interventions • Housing payments for persons experiencing homelessness 	<p><u>Health IT:</u></p> <ul style="list-style-type: none"> • Case/practice management systems • Clinical data registries • Electronic Quality Reporting • Health information exchange and health information network participation • Health IT to support behavioral health activities • Health IT investments to support integration with dental services • Investment in certified electronic health record technology (CEHRT) • IT-enabled screening tools • Remote access technologies/telehealth • Establishing or improving translation services <p><u>Infrastructure related to social determinants of health (SDOH):</u></p> <ul style="list-style-type: none"> • Closed-loop referral tools to connect patients to community-based organizations • Other infrastructure related to addressing patient social needs (explain in “Payment Use”) <p><u>General:</u></p> <ul style="list-style-type: none"> • Practice physical accessibility improvements • Other (explain in “Payment Use”)

Increased Staffing	Provision of Accountable Care for Underserved Beneficiaries	Health Care Infrastructure
<ul style="list-style-type: none"> Other staff education (explain in "Payment Use") <p><u>General:</u></p> <ul style="list-style-type: none"> Other (explain in "Payment Use") 	<ul style="list-style-type: none"> Setting up support structures for persons experiencing homelessness Wraparound housing services Lead remediation services Application for housing-related benefits Other housing-related services (explain in "Payment Use") <p><u>Transportation services:</u></p> <ul style="list-style-type: none"> Vouchers for ride-share services Vouchers for public transportation services Disability-related transport services Services to help an individual maintain access to an automobile Transportation to non-medical locations, such as grocery stores Help with application for transportation benefits Other transportation-related services (explain in "Payment Use") <p><u>Utilities-related services and supports:</u></p> <ul style="list-style-type: none"> Water services Electricity services Heating services Application for utilities-related benefits Other utilities-related services and supports (explain in "Payment Use") <p><u>Employment-related services:</u></p> <ul style="list-style-type: none"> Employment search assistance Employment coaching Services for individuals with disabilities to help them succeed at finding and maintaining employment Other employment-related services and supports (explain in "Payment Use") <p><u>Patient caregiver supports:</u></p> <ul style="list-style-type: none"> Caregiver counseling or support groups Caregiver training and education Respite care Child Support Services Other patient caregiver support services (explain in "Payment Use") 	

Increased Staffing	Provision of Accountable Care for Underserved Beneficiaries	Health Care Infrastructure
	<p><u>Services to reduce social isolation:</u></p> <ul style="list-style-type: none"> Improving cultural and linguistic competency Reintegration from incarceration counseling/program Other reduction of social isolation services (explain in “Payment Use”) <p><u>General:</u></p> <ul style="list-style-type: none"> Other (explain in “Payment Use”) 	

Where Advance Investment Payments are used for investments in health IT systems and infrastructure, CMS strongly recommends ACOs utilize health IT that meets standards and implementation specifications adopted in [45 CFR part 170, Subpart B](#), and/or health IT certified under the [ONC Health IT Certification Program](#), where applicable. If HHS-adopted standards or certified technology are not applicable, CMS encourages ACOs to utilize health IT that meets non-proprietary standards and implementation specifications developed by consensus-based standards development organizations, such as those identified in the [ONC Interoperability Standards Advisory](#).

Advance investment payments cannot be used for anything other than the three categories listed above (and the corresponding subcategories listed in Table 1). For example, prohibited uses include: management company or parent company profit, performance bonuses, other provider salary augmentation, provision of medical services covered by Medicare, or items or activities unrelated to ACO operations. ([42 CFR § 425.630\(e\)\(2\)](#)).

4.4 ROLES FOR COMMUNITY BASED ORGANIZATIONS

Working with community-based organizations (CBOs) is one strategy an ACO could use to coordinate care and improve equity among aligned beneficiaries. CBOs that service Medicare beneficiaries, including Area Agencies on Aging, Centers for Independent Living, and Community Action Agencies, and other nonprofit organizations that provide social services, can work with ACOs receiving advance investment payments to address the holistic needs of beneficiaries. ACOs and CBOs can determine the best strategy to screen for and manage health-related social needs such as food insecurity, housing instability, transportation problems, utility problems, and others.

Potential roles for CBOs include:

- Supporting screening, comprehensive assessments, and social care coordination.
- Supporting enrollment into the Medicare Savings Program, LIS, Medicaid, SNAP, LIHEAP, and other low-income benefits.

- Arranging for services that address food insecurity, housing and transportation needs, and coordinating social care for beneficiaries with complex needs.
- Aligning multiple financial resources (from social/human services, other public programs, and philanthropy) to meet whole-person care needs.
- Providing trained community health workers to furnish services for the ACOs to meet whole-person care needs for persons with Medicare.
- Delivering evidence-based interventions for falls prevention, chronic disease self-management, diabetes prevention, and care transitions following hospital and nursing home stays.

To find local CBOs feel free to use these resources:

- [Community Care Hubs in HHS National Learning Community](#)
- [Aging and Disability Resource Centers](#)
- [Centers for Independent Living](#)
- [Community Action Agencies](#)

4.5 PUBLIC REPORTING REQUIREMENTS

An ACO's public reporting webpage, required by [42 CFR § 425.308](#), must include an ACO's spend plan in a standardized format (as stipulated by CMS) before and after the performance year. Before each performance year, the ACO must publicly report the anticipated spend plan, including planned expenditure categories. After each performance year, the ACO must publicly report the total amount of advance investment payments received and an itemization of the advance investment payments spent during the year (that is, expenditure categories and the amounts spent on the various categories), and any changes to the spend plan. The AIP public reporting requirement includes the following:

- The ACO's spend plan.
- The total amount of any advance investment payments received from CMS.
- An itemization of how advance investment payments were spent during the year, including expenditure categories (increased staffing, provision of accountable care for underserved beneficiaries, health care infrastructure) and the corresponding subcategories of permissible uses of advance investment payments listed in Table 1, the dollar amounts spent on these various categories, any changes to the spend plan submitted under [42 CFR § 425.630\(d\)](#), and such other information as may be specified by CMS.

Refer to [42 CFR § 425.308\(b\)\(8\)](#).

CMS will provide information at least annually to ACOs regarding the form and manner in which this information should be publicly reported.

4.6 MONITORING OF AIP

In accordance with [42 CFR § 425.316\(e\)](#), CMS monitors an ACO that receives advance investment payments for changes in its ACO participants that may cause the ACO to no longer meet the AIP eligibility requirements that the ACO be inexperienced with performance-based risk Medicare ACO initiatives and a low revenue ACO. If CMS determines during a performance year of the agreement period in which the ACO received an advance investment payment that it is experienced with performance-based risk Medicare ACO initiatives or is a high revenue ACO, CMS will cease payment of advance investment payments, starting the quarter after the ACO became ineligible. CMS may also take compliance action as specified in [42 CFR § 425.216](#) and [42 CFR § 425.218](#). If an ACO remains experienced with performance-based risk Medicare ACO initiatives or a high revenue ACO after a deadline specified by CMS pursuant to compliance action, the ACO must repay all advance investment payments it received. CMS will provide written notification to the ACO of the amount due and the ACO must pay such amount no later than 90 days after the receipt of such notification.

Additionally, in accordance with [42 CFR § 425.630\(d\)\(3\)](#), CMS may review an ACO's spend plan at any time and require the ACO to modify its spend plan to comply with AIP requirements.

4.7 ACO SIGNING EVENT

At the end of each performance year, an individual with the legal authority to bind the ACO must certify to the best of their knowledge, information, and belief that the ACO has moved all advance investment payments received during that performance year into a designated AIP account (as required by [42 CFR § 425.630\(e\)](#)) and the advance investment payments have been dispersed only for allowable uses (Refer to [42 CFR § 425.302\(a\)\(3\)\(iv\)](#)).

4.8 TERMINATION OF ADVANCE INVESTMENT PAYMENTS

CMS may terminate an ACO's advance investment payments at any time for failure to comply with the requirements of the Shared Savings Program or for any of the grounds for ACO termination set forth in [42 CFR § 425.218\(b\)](#).

Under [42 CFR § 425.630\(h\)\(1\)](#), CMS may terminate an ACO's advance investment payments if the ACO fails to comply with the requirements of [42 CFR § 425.630](#), or otherwise meets the grounds for termination under [42 CFR § 425.218\(b\)](#). CMS will terminate an ACO's advance investment payments in accordance with [42 CFR § 425.316\(e\)](#) if the ACO no longer meets the AIP eligibility requirements set forth at [42 CFR § 425.630\(b\)\(3\) and \(4\)](#) (Refer to [42 CFR § 425.630\(h\)\(2\)](#)). CMS may immediately terminate distribution of an ACO's advance investment payments without taking any pre-termination actions under [42 CFR § 425.216](#) (Refer to [42 CFR § 425.630\(h\)\(3\)](#)).

If an ACO terminates its participation agreement during the agreement period in which it received advance investment payment(s), the ACO must repay all advance investment

payments it received, per [42 CFR § 425.630\(g\)\(4\)](#). CMS will provide written notification to the ACO of the amount due and the ACO must pay such amount no later than 90 days after the receipt of such notification.

4.9 RECOUPMENT OF ADVANCE INVESTMENT PAYMENTS AND NOTICE OF BANKRUPTCY

4.9.1 RECOUPMENT

Advance investment payments will be recouped from any shared savings earned by the ACO in any performance year until CMS has recouped, in full, all advance investment payments. Any remaining balance owed will be carried forward to subsequent performance years in which the ACO achieves shared savings, including in any performance years in a subsequent agreement period for both renewing and re-entering ACOs ([42 CFR § 425.630\(g\)\(1\)](#)). If the amount of shared savings earned by the ACO is revised upward for any reason, the redetermined amount of shared savings will be reduced by the amount of advance investment payments made to the ACO as of the date of the redetermination. If the amount of shared savings earned by the ACO is revised downward by CMS for any reason, the ACO will not receive a refund of any portion of the advance investment payments previously recouped or otherwise repaid (refer to [42 CFR § 425.630\(g\)\(2\)](#)).

Except as provided for in [42 CFR §§ 425.630\(g\)\(4\)](#) and [425.316\(e\)\(3\)](#), CMS will not recover an amount of advance investment payments greater than the shared savings earned by an ACO in that performance year (refer to [42 CFR § 425.630\(g\)\(3\)](#)). If an ACO terminates its participation agreement during the agreement period in which it received an advance investment payment, the ACO must repay all advance investment payments it received. In such a case, CMS would provide written notification to the ACO of the amount due and the ACO must pay such amount no later than 90 days after the receipt of notification (refer to [42 CFR § 425.630\(g\)\(4\)](#)).

4.9.2 NOTICE OF BANKRUPTCY

If an ACO has filed a bankruptcy petition, whether voluntary or involuntary, the ACO must provide written notice of the bankruptcy to CMS and to the U.S. Attorney's Office in the district where the bankruptcy was filed, unless final payment for the agreement period has been made by either CMS or the ACO and all administrative or judicial review proceedings relating to any payments under the Shared Savings Program have been fully and finally resolved ([42 CFR § 425.630\(g\)\(5\)](#)). The notice of bankruptcy must be sent by certified mail no later than 5 days after the petition has been filed and must contain a copy of the filed bankruptcy petition (including its docket number). The notice to CMS must be addressed to the CMS Office of Financial Management at 7500 Security Boulevard, Mailstop C3-01-24, Baltimore, MD 21244 or such other address as may be specified on the CMS website for purposes of receiving such notices (*Id.*).