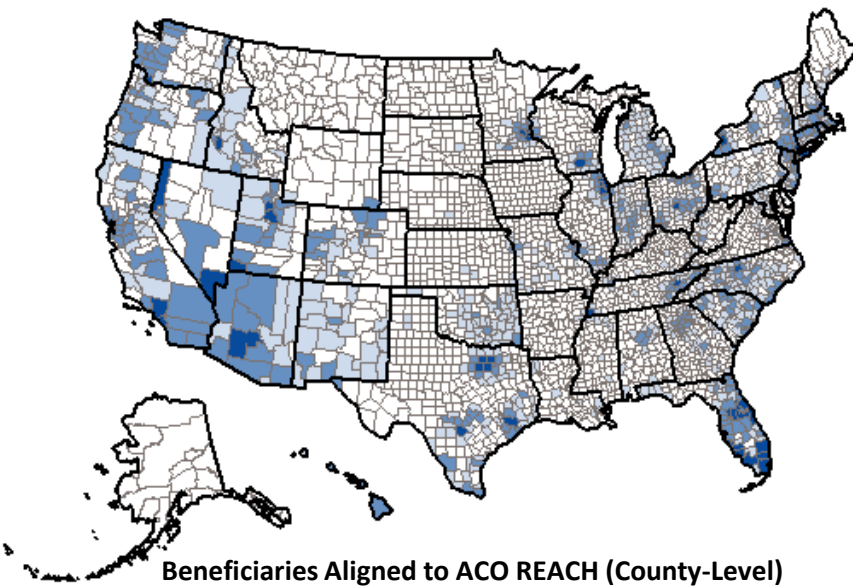


## MODEL OVERVIEW

The [ACO REACH Model](#) is an advanced alternative payment model designed to improve patient care, lower costs, and align payment systems for Original Medicare beneficiaries through risk sharing and prospective payment. ACO REACH began as the Global and Professional Direct Contracting (GPDC) Model in 2021 and was renamed ACO REACH in January 2023.

## MODEL PARTICIPANTS



Beneficiaries Aligned to ACO REACH (County-Level)

□ 0-99    □ 100-999    □ 1,000-9,999    □ 10,000+

Beneficiaries resided in all 50 states predominately spread across the southeast, southwest and mountain west.

**132**

### REACH ACOs

48 new ACOs in 2023

### 105 Standard ACOs

Experience with Medicare models

### 13 New Entrant ACOs

New to serving Original Medicare beneficiaries

### 14 High Needs ACOs

Serving medically complex patients

**~2 million**

### aligned beneficiaries

96% in Standard ACOs

**133,000+**

### providers

33% were safety providers

## IMPLEMENTATION



ACOs refined and built on existing care delivery activities to serve all Medicare beneficiaries, not just those aligned with ACO REACH.



More than 70% of ACOs described their highest priorities as lowering avoidable utilization, increasing primary care touchpoints, and expanding complex care management.

ACO REACH allowed for upfront investments in clinical programs and patient care. As a provider in a Standard ACO noted: ***“We’re doing a lot more for our patients in the last two or three years in ACO REACH than we were able to do in the Medicare Shared Saving Program.”***

### FINDINGS



- In PY2023, all three ACO types **reduced gross spending** relative to a comparison group of beneficiaries seen by a blend of providers in other accountable care relationships and those not currently in accountable care.

Standard ACOs, serving 96% of beneficiaries in the model, had larger gross spending reductions among beneficiaries with:

- ✓ **higher burden of chronic conditions**,
- ✓ **disability/end-stage renal disease**, and
- ✓ those who were **dually eligible** for Medicare and Medicaid.

Standard ACOs structured as **networks of individual practices** or which took on the **highest levels of financial accountability** also had larger gross spending reductions.

- **Net spending** increased for all ACO types in PY 2023 after accounting for incentive payouts for ACO REACH and ACOs in the comparison group, but the increase for New Entrant ACOs was not statistically significant and for Standard ACOs was less than 1%. Overall, the model increased spending by 0.8%.



- All three ACO types **improved multiple quality measures**, with stronger effects in PY 2023 relative to prior years. Improvements included:

- ↑ Days at home
- ↑ Timely follow-up after exacerbations of chronic conditions
- ↓ Emergency department visits
- ↓ Ambulatory care sensitive condition hospitalizations

### KEY TAKEAWAYS

In PY 2023, a new cohort of participants joined the model, including increased participation of safety net providers. The model's features—including risk-sharing arrangements, capitation to support investments in population health, and benefit enhancements to support delivery of care—together showed incremental effects to improve quality and lower gross spending.

These promising PY 2023 results, coupled with more recent model design changes aimed at providing smaller incentive payments to participants, may give the model increased opportunity to reduce spending while improving quality. Future reports will determine if these results continue.