



Next Generation Accountable Care Organization (ACO) Model Fact Sheet

Overview

In January 2016, the Centers for Medicare & Medicaid Services (CMS) Center for Medicare and Medicaid Innovation (Innovation Center) launched an Accountable Care Organization (ACO) model called the Next Generation ACO Model. Eighteen ACOs participated in the Next Generation ACO Model for the 2016 performance year, 45 participated in the 2017 performance year, 51 participated in the 2018 performance year, 41 participated in the 2019 performance year, 37 in the 2020 performance year, and 35 in the 2021 performance year. The 35 total ACOs participating in the Next Generation ACO Model in performance year 2021 have significant experience coordinating care for populations of patients through initiatives, including, but not limited to, the Medicare Shared Savings Program and the Pioneer ACO Model. The Next Generation ACO Model is an Advanced Alternative Payment Model (APM) under the Quality Payment Program established under the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA). Eligible clinicians who sufficiently participate in Advanced APMs during a performance year can become Qualifying APM Participants (QPs) in a payment year. QPs are excluded from the Merit-based Incentive Payment System (MIPS) reporting requirements and payment adjustment, and earn an APM incentive payment for payment years from 2019 through 2024.

2021 Next Generation ACOs

The organizations participating in the Next Generation ACO Model represent a variety of provider organizations and geographic regions, and were selected by CMS based on specific eligibility criteria outlined in a Request for Applications (RFA) found at the [Next Generation ACO Model web page](#).

The 35 organizations participating in the Next Generation ACO Model in 2021 are:

| NGACO Generation ACO Name | Service Area |
|---|--|
| Accountable Care Coalition of Southeast Texas, Inc. | Texas |
| Accountable Care Coalition of Tennessee, LLC | Mississippi |
| APA ACO, Inc. | California, Hawaii, Texas & Washington |
| Arizona Care Network, LLC | Arizona |
| Atrius Health, Inc. | Massachusetts |
| Best Care Collaborative | Florida |
| Bellin Health Partners, Inc. | Michigan & Wisconsin |
| CareMount ACO | New York |
| Carilion Clinic's Doctors Connected | Virginia |
| CHESS Health Solutions | North Carolina |
| Deaconess Care Integration, LLC | Illinois, Indiana & Kentucky |

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| Franciscan Missionaries of Our Lady Health System Clinical Network, LLC | Louisiana & Mississippi |
| Henry Ford Physicians Accountable Care Organization, LLC | Michigan |
| Indiana University Health | Indiana |
| Mary Washington Health Alliance LLC | Virginia |
| NEQCA Accountable Care, Inc. | Massachusetts |
| NW Momentum Health Partners ACO, LLC | Washington |
| Park Nicollet Next Generation Accountable Care Organization | Minnesota |
| Pioneer Valley Accountable Care, LLC | Massachusetts |
| Primaria ACO, LLC | Indiana |
| Primary Care Alliance | Florida |
| ProHealth Solutions, LLC | Wisconsin |
| Prospect ACO Northeast, LLC | Connecticut & Rhode Island |
| Reliance Next Gen ACO, LLC | Michigan |
| Reliant Medical Group, Inc. | Massachusetts |
| Revere Health | Arizona, Nevada & Utah |
| St. Luke's Clinic Coordinated Care, LTD | Idaho & Oregon |
| ThedaCare ACO, LLC | Wisconsin |
| Torrance Memorial Integrated Physicians, LLC | California |
| Triad HealthCare Network, LLC | North Carolina |
| Trinity Health ACO, Inc. | Illinois, Michigan, New Jersey & Ohio |
| UNC Senior Alliance, LLC | North Carolina |
| UnityPoint Accountable Care, LC | Iowa, Illinois, Kentucky & Wisconsin |
| UT Southwestern Accountable Care Network | Texas |
| UW Health ACO, Inc. | Wisconsin |

The Next Generation ACO Model's Core Principles

- Protect Medicare fee-for-service beneficiaries' freedom to seek covered items and services from the Medicare-enrolled providers and suppliers of their choice;
- Engage beneficiaries in their care through benefit enhancements designed to improve the patient experience and reward seeking appropriate care from providers and suppliers participating in ACOs;
- Create a financial model with long-term sustainability;
- Utilize a prospectively-set benchmark that: (1) rewards quality; (2) rewards both improvement in and attainment of efficiency; and (3) ultimately transitions away from using an ACO's recent expenditures for purposes of setting and updating the benchmark;

- Mitigate fluctuations in aligned beneficiary populations and respect beneficiary preferences by supplementing a prospective claims-based alignment process with a voluntary alignment process; and
- Smooth ACO cash flow and support investment in care improvement capabilities through alternative payment mechanisms.

Medicare ACOs are composed of groups of doctors, hospitals, and other providers and suppliers who have come together voluntarily to provide coordinated, high-quality care at lower costs to their Original Medicare patients. ACOs are intended to be patient-centered organizations where the patient and health care providers are true partners in care decisions. Aligned beneficiaries will see no reduction in their Medicare benefits and will keep their freedom to see any Medicare-enrolled provider or supplier. Provider and supplier participation in ACOs is also voluntary. When an ACO succeeds in both delivering high-quality care and spending health care dollars more wisely, it will share in the savings it achieves for the Medicare program.

The goal of care coordination is to ensure that patients, especially those with chronic conditions, get the right care at the right time while avoiding medical errors and unnecessary duplication of services. Any patient who has multiple doctors has experienced the frustration of fragmented and disconnected care: lost or unavailable medical charts; duplicated medical procedures and tests; difficulty scheduling appointments; or having to share the same information repeatedly with different doctors. ACOs are designed to help lift this burden from patients, while improving the partnership between patients and their health care providers in making health care decisions. When care is coordinated, Medicare beneficiaries have better control over their health care, and providers have better information about their patients' medical history and better relationships with their patients' other health care providers. For health care providers, ACOs hold the promise of realigning the practice of medicine with the ideals of the profession—keeping the focus on patient health and the most appropriate care.

Medicare beneficiaries whose health care providers participate in an ACO will still have freedom of choice among Medicare-enrolled providers and suppliers and can still choose to see health care providers outside of the ACO. Patients choosing to receive care from providers and suppliers participating in ACOs will also have access to information about how well their doctors, hospitals, or other health care providers are meeting quality standards. ACOs are required to report performance on NGACO quality measures on the ACO's publicly accessible website.

The CMS Innovation Center

The CMS Innovation Center was created by the Affordable Care Act to test innovative payment and service delivery models expected to reduce program expenditures while preserving or enhancing the quality of care for Medicare, Medicaid, and Children's Health Insurance Program beneficiaries.

Working in concert with the Shared Savings Program, the CMS Innovation Center is testing a number of ACO models and has sponsored shared learning activities that help health care providers improve their results. More information on all of these initiatives is available on the CMS Innovation Center website at <https://innovation.cms.gov/>.

Additional Resources

More information about the Next Generation ACO Model, including alternative payment arrangements, quality measures, and benefit enhancements, is available on the CMS Innovation Center website at the Next Generation ACO Model web page. Any questions about the Next Generation ACO Model can be directed to NextGenerationACOModel@cms.hhs.gov.