MSSP Performance Results Indicate Another Successful Year

On August 24, 2023, the Centers for Medicare & Medicaid Services (CMS) released the financial and quality performance results for the Medicare Shared Savings Program (MSSP) Performance Year (PY) 2022. The results revealed net savings of \$1.8 billion for Medicare, marking the sixth consecutive year of savings. In total, 63% of MSSP accountable care organizations (ACOs) achieved savings as a result of their performance. This Health Capital Topics article will discuss the 2022 performance results.

ACOs that participate in the MSSP must enroll in a specific track (either the Basic Track or the Enhanced Track), with each track corresponding to a different level of risk.⁴ The Basic Track is divided into five track levels: A, B, C, D, and E.5 Track levels A and B are one-sided risk models, while the two-sided risk models begin with Level C and progressively increase in risk (as well as in potential shared savings) with each track level.⁶ Newly participating ACOs that enroll in the Basic Track can begin in any of the track levels, but will automatically progress to the next track level each year.7 The only exception to this is that newly participating, low-revenue ACOs⁸ are permitted to remain enrolled in Basic Track, Level B for an additional year, provided that they agree to skip to Basic Track, Level E in their fourth year of participation.9 As of January 2023, the MSSP includes over 573,000 clinicians providing care to over 11 million Medicare beneficiaries. 10 It is CMS's goal for 100% of Traditional Medicare beneficiaries to be assigned to an ACO by 2030.11

In 2022, approximately 63% of MSSP-participating ACOs earned shared savings for their performance. High-revenue ACOs, which had \$140 per capita in net savings, were outperformed by low-revenue ACOs, which had \$228 per capita in net savings. ¹² Low-revenue ACOs, which are primarily comprised of physicians, may also include a small hospital and service rural areas. ¹³ Low-revenue ACOs comprised of 75% primary care providers saw \$294 per capita in net savings, more than twice the net savings realized by high-revenue ACOs. ¹⁴ These results demonstrate how crucial primary care is to the success of the MSSP, as well as how the program benefits primary care providers. ¹⁵

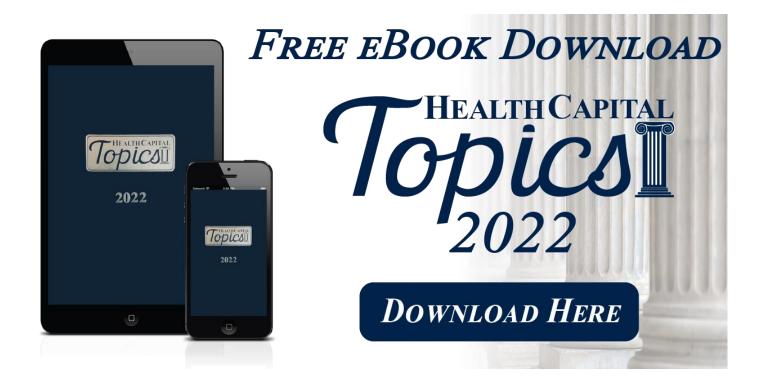
Earlier this year, CMS proposed changes to the MSSP in the CY 2024 Medicare Physician Fee Schedule (MPFS) that would promote access to accountable care for beneficiaries that rely on nurse practitioners, clinical nurse specialists, and physician assistants for their primary care needs. Another proposal would change methodology for financial benchmarking and encourage ACOs that serve complex populations to participate in the MSSP. These proposed changes are expected to increase MSSP participation by approximately 10% to 20% in future years. 18

Overall, the MSSP has produced the largest savings for CMS, and is the largest ACO model the agency operates. Since the 2012 debut of the MSSP, ACOs have consistently saved the agency money. While the program has resulted in large savings, some ACOs have experienced losses. Empire ACO of New York reported large losses of 15.3% (\$23.3 million) for their 6,600 members, while Physicians ACO of Florida reported the largest savings rate of 18.2% (\$13.5 million) for their 6,500 members.

In response to the PY 2022 results, CMS Administrator Chiquita Brooks-LaSure stated, "The MSSP helps millions of people with Medicare experience coordinated health care while also reducing costs for the Medicare program. CMS will continue to improve the program, and it is exciting to see that Accountable Care Organizations are continuing to be successful in delivering coordinated, high-quality, affordable, equitable, person-centered care."21 The National Association of Accountable Care Organizations (NAACOs) commended CMS, with the President and CEO, Clif Gaus, stating that "Every year, the body of data on how ACOs are improving our fragmented health system grows, and this year is no different. ACOs continue to provide more of what patients want and deserve -- affordable, high-quality, coordinated, and personalized care."²²

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- 8 "NAACOS Assessment of High-Low Revenue Designations" National Association of ACOs, https://www.naacos.com/naacos-assessment-of-high-low-revenue-designations (Accessed 8/28/23)
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- 12 *Ibid*.
- 13 Ibid.

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- "Shared Savings ACOs cut spending \$1.8B in 2022" By Lauren Berryman and Nona Tepper, Modern Healthcare, August 24, 2023, https://www.modernhealthcare.com/accountablecare/medicare-shared-savings-program-aco-2022-report-cms (Accessed 8/30/23).
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