ASSESSING THE ACCOUNTABLE CARE ORGANIZATION REALIZING EQUITY, ACCESS, AND COMMUNITY HEALTH (ACO REACH) MODEL

Model Goals

ACO REACH makes important changes to the GPDC model in three areas:

1. **Advance Health Equity:** ACO REACH requires participants to implement a health equity plan to identify underserved patients and implement initiatives to reduce health disparities.
2. **Promote Leadership and Governance:** ACO REACH organizations are required to have at least two beneficiary advocates with voting rights on their governing board, one a Medicare beneficiary and one a consumer advocate.
3. **Protect Beneficiaries Through Participant Vetting, and Greater Transparency:** CMS will employ greater up-front screening of applicants, ongoing participant monitoring, and greater transparency into the model's progress during implementation of the model.

Effective January 1, 2023, CMS Innovation Center's Global and Professional Direct Contracting (GPDC) Model transitioned to the Accountable Care Organization Realizing Equity, Access, and Community Health (ACO REACH) Model. The new model modifies GPDC to advance the Biden Administration's vision of creating a health system that achieves equitable outcomes.

ACO REACH has a single cohort of new participants starting in 2023 and will end in 2026. Existing GPDC ACOs may remain in the model as long as they meet all ACO REACH requirements. A total of 132 ACOs are participating in the model, an increase from 99 participants in the 2022 cohort of the GPDC model.

View the Task Force's Global and Professional Direct Contracting model briefer here for more details on the original DC model.

The ACO REACH model includes three participant types:

- **Standard DCEs:** Participants with experience serving Original Medicare beneficiaries who may have had experience in other CMMI shared savings models.
- **New Entrant DCEs**: Participants without experience serving Original Medicare patients.
- **High Needs Population DCEs:** Participants that serve Original Medicare beneficiaries with complex needs including dually eligible beneficiaries.

Health Equity Provisions

CMMI is requiring all ACO REACH participants (new and existing) to engage in five health equity provisions to participate in the model.

1. **Health Equity Plan Requirement**: The purpose of the health equity plan is for ACOs to identify underserved patients within their aligned beneficiary populations and implement initiatives to measure and reduce health disparities for their populations over the model performance period.

2. **Health Equity Benchmark Adjustment**: CMMI will apply an adjustment to increase the benchmark for ACOs serving higher proportions of underserved beneficiaries by using the Area Deprivation Index (ADI) combined with the Dual Medicaid Status. The ADI captures local socioeconomic factors correlated with medical disparities and underserved areas.
3. **Health Equity Data Collection Requirement**: CMS will require all REACH ACOs to collect and report beneficiary-reported demographic data and social determinants of health on their aligned beneficiaries to determine whether quality is improving to all beneficiaries over time. Completing the requirement will result in a bonus to the ACO's quality score.
4. **Nurse Practitioner Services Benefit Enhancement**: This benefit enhancement will allow nurse practitioners (NPs) to furnish some services without physician supervision usually required under Medicare. This enhancement is intended to allow ACOs to increase flexibility in care delivery and improve care coordination for their aligned beneficiaries.
5. **Health Equity Questions in Application and Scoring for Health Equity Experience**: The ACO REACH model application was designed to encourage participation by applicants with direct patient care experience or experience serving underserved communities.

Financial Methodology Updates

There were two voluntary risk-sharing options in the GPDC model:

1. **Professional:** Participants were at risk for 50% of the savings/losses. Participants in this track received a Primary Care Capitation Payment, a risk adjusted monthly payment for primary care services, provided by the ACO to the participating providers.
2. **Global:** Participants were at risk for 100% of shared savings/loses. Participants in this track received a Primary Care Capitation Payment or a Total Care Capitation Payment, a risk adjusted monthly payment for all covered services including specialty care, provided by the ACO to the participating providers.

The ACO REACH model made updates to the GPCD benchmark discounts, quality withholds, and risk adjustment. The model lowers the maximum benchmark discount applied to the Global Track ACOs from five percent to 3.5 percent. Quality withholds in both the Global and Professional tracks will decrease from a maximum of five percent to a maximum of two percent. ACO REACH also makes two changes to the "Risk Score Growth Cap" to mitigate potential inappropriate risk score gains.