Assessing the Impact: ACO Primary Care Flex Model

This brief is intended to provide a succinct overview of the ACO Primary Care Flex Model. Access additional Task Force Model Impact Briefers here.

Introduction

Beginning January 1, 2025, the Centers for Medicare & Medicaid Services (CMS) will implement the ACO Primary Care Flex Model in the Medicare Shared Savings Program (MSSP). The model delivers prospective, enhanced primary care payments to participating MSSP Accountable Care Organizations (ACOs) to foster team-based, person-centered care.

Primary care is pivotal to the health care system, serving as the frontline for patient care and preventive services. By establishing prospective payments, ACOs gain greater flexibility to prioritize patient needs and deliver more comprehensive care, leading to better health outcomes and cost savings.

Model Goals

- Enhance Patient Experience
- Improve Cost & Quality
- Strengthen Primary Care
- Reduce Disparities

Eligibility & Participation

CMS will select about 130 ACOs to participate in the ACO Primary Care Flex Model. Eligible participants include ACOs that:

Are designated as low-revenue ACOs
This distinction is determined based on the amount of fee-for-service revenue paid to ACO participants as a percentage of total fee-for-service expenditures for attributed beneficiaries.

Start a new MSSP contract period
All ACOs must elect prospective attribution and start a new MSSP contract period, which rebases the benchmark.

Participate in certain MSSP tracks
ACOs must participate in either the Basic or Enhanced tracks of MSSP, but may not receive Advanced Investment Payments.

Financial Methodology

Participants will receive a one-time Advanced Shared Savings Payment and monthly Prospective Primary Care Payments (PPCP) to address their patients' clinical and health-related social needs.

Advanced Shared Savings Payment

- ACO Primary Care Flex will provide a one-time advanced payment of $250,000, to be repaid to CMS through future shared savings.
- Payments can be used to cover costs associated with forming an ACO and administrative costs for required model activities.

Prospective Primary Care Payments

- Participating ACOs will receive monthly PPCPs made in place of fee-for-service reimbursement for most primary care services.
- ACOs will submit claims as usual and CMS will 'zero out' claims for primary care services.
- The PPCP will include a base rate derived from the average county primary care spending, with additional payments based on the characteristics of the ACO and assigned patient population.

Health Equity

Participants include Federally Qualified Health Centers and Rural Health Centers to serve more underserved patients in ACOs and provide them with enhanced primary care.

Payment methodology incorporates equity by including a regionally consistent rate for primary care spending, to correct patterns of inappropriately low spending. The County Enhancement gives additional funding to counties with historically low levels of primary care spending, evidence of underuse of medical services, and socioeconomic disadvantage.

Health equity questions in the application will ensure that selected ACOs are well-positioned to improve quality outcomes for all patients.

Quality Measurement

Person-Centered Primary Care Measure

- Assesses patient experience with access, quality, and personalized care.
- Based on a survey administered annually by CMS for all Primary Care Flex ACOs.
- Results will be publicly reported but will not be included in MSSP quality adjustments.
- ACOs may be asked to submit supplemental information (*e.g.*, patient roster data).

MSSP Quality Reporting Requirements

- ACOs are still responsible for all MSSP quality reporting requirements.