

# The Continuing Spread of ACO Presence in Rural Places

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# Accountable Care Organizations Have Come to Rural America

- Data extracted from Centers for Medicare & Medicaid Services public information for years 2012 – 2015, plus “first look” at 2016
- Non-metropolitan presence (defined as participating provider) in each cycle
- Non-metropolitan presence in three models: Pioneer demonstration, Advanced Payment demonstration, Medicare Shared Savings Program, ACO Investment Model, Next Generation demonstration
- Increased rural presence across time



# By the Numbers ...

- ACOs operate in 72.% of metropolitan counties, 39.7% of non-metropolitan counties
- 7.6 million beneficiaries now receiving care through ACOs
- Rural sites in all four census regions

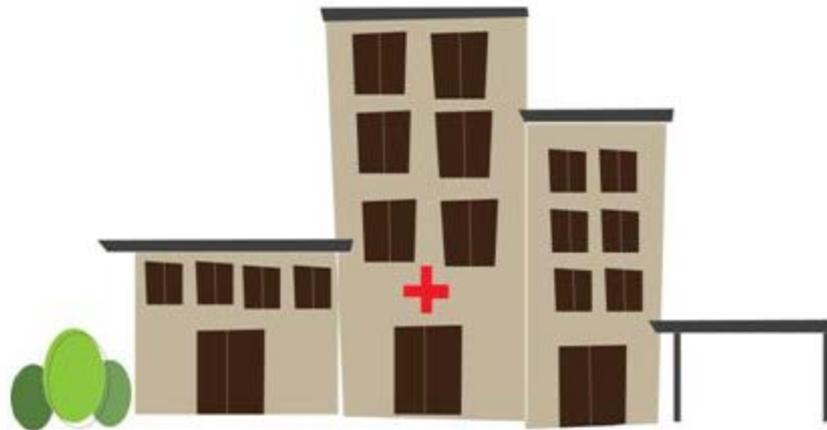
# By the numbers ...

- Approximately half of Medicare ACOs have rural presence, although for 18% (76) that is between 1 and 24 percent of counties included
- 7 (1.7%) are 100% non-metropolitan
- 23 (5.4%) are 75-99% non-metropolitan
- 104 (24.6%) are 25-74% non-metropolitan
- *At least 37 of the 101 new ACOs in 2016 have a rural presence, many of those exclusively rural*

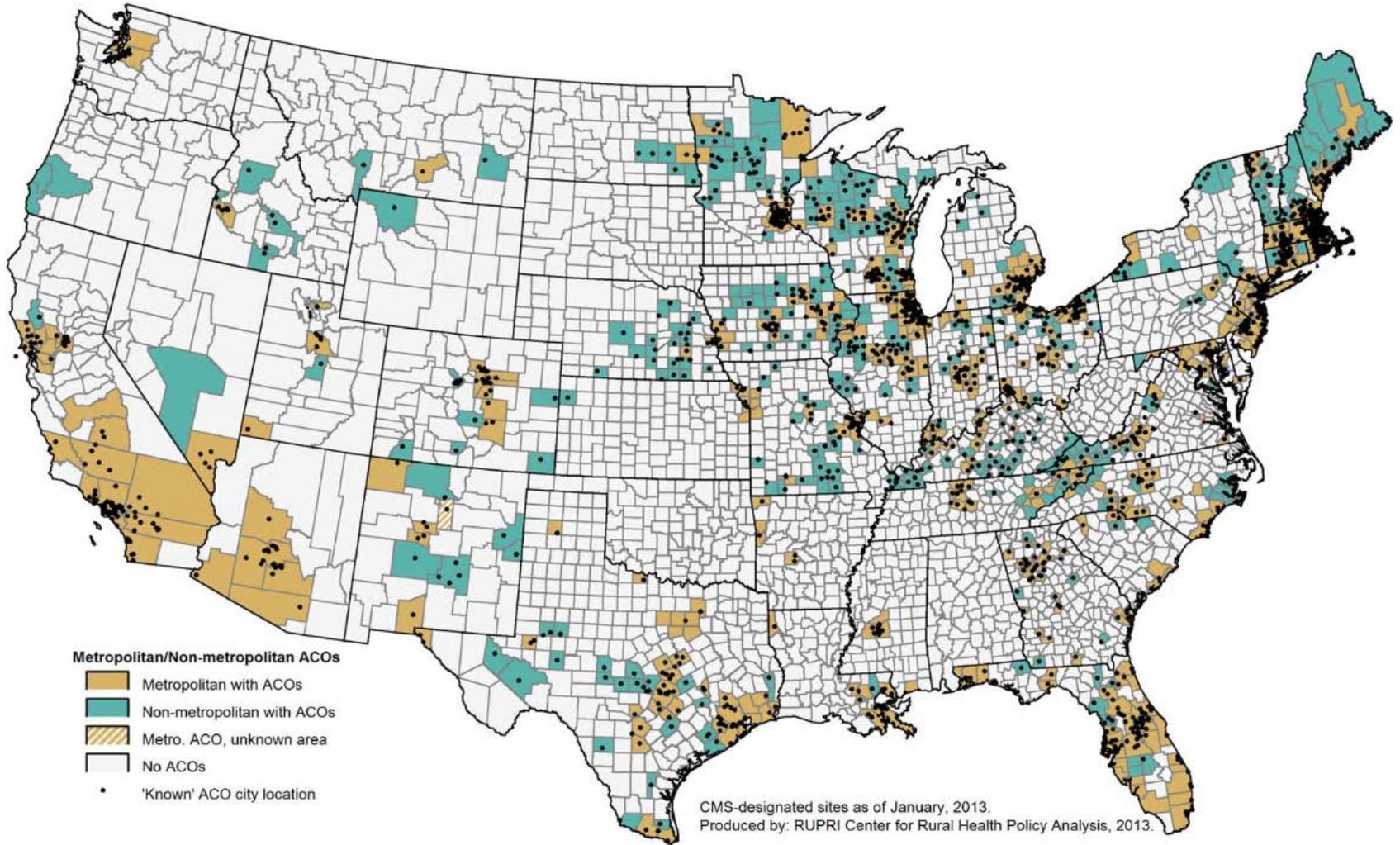
Data are as of the end of 2015

# And Now the Visuals

- 2013 national map
- 2015 national map
- Regional maps

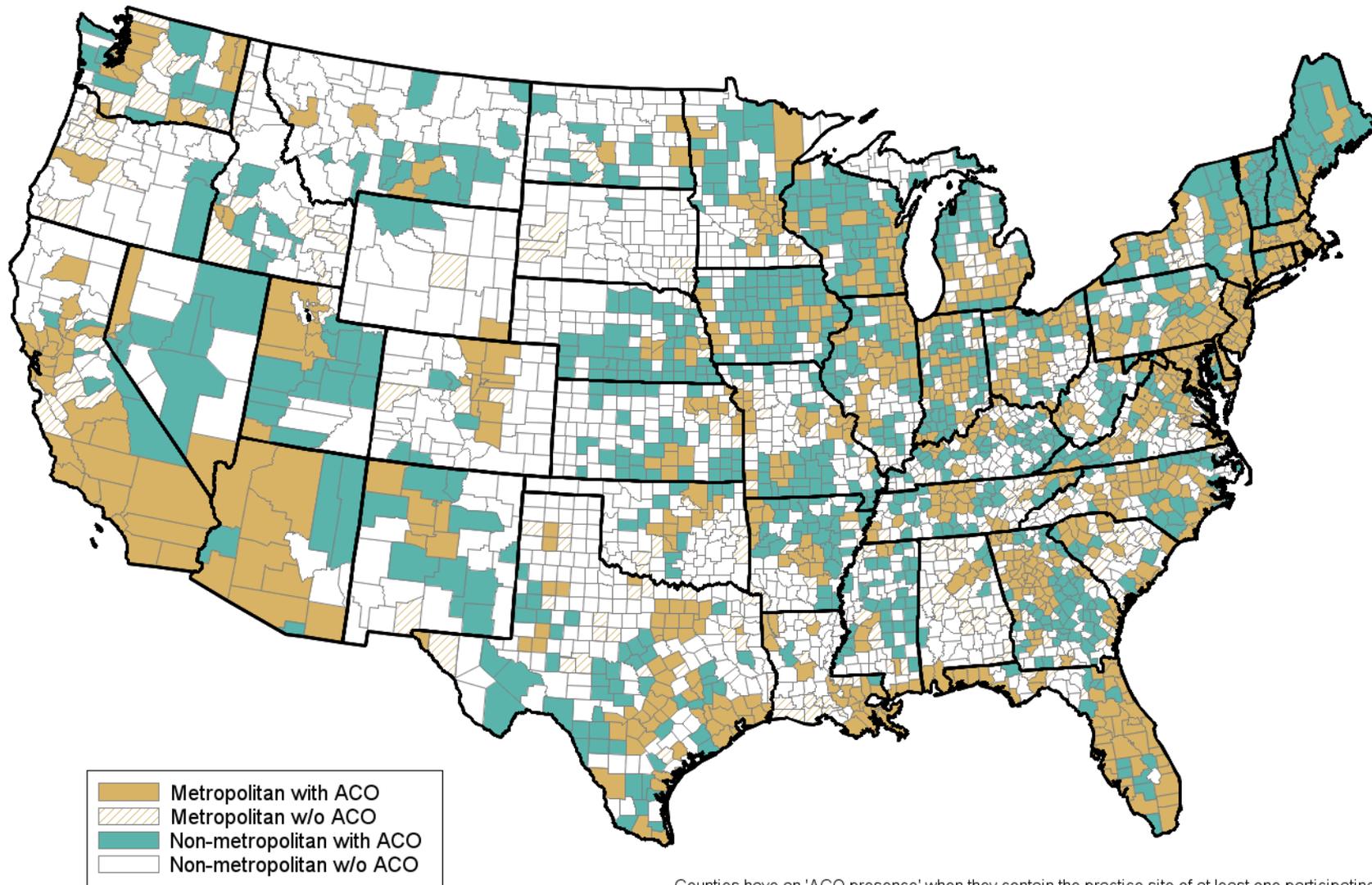


# County Medicare ACO Presence Continental United States



# County Medicare ACO Presence

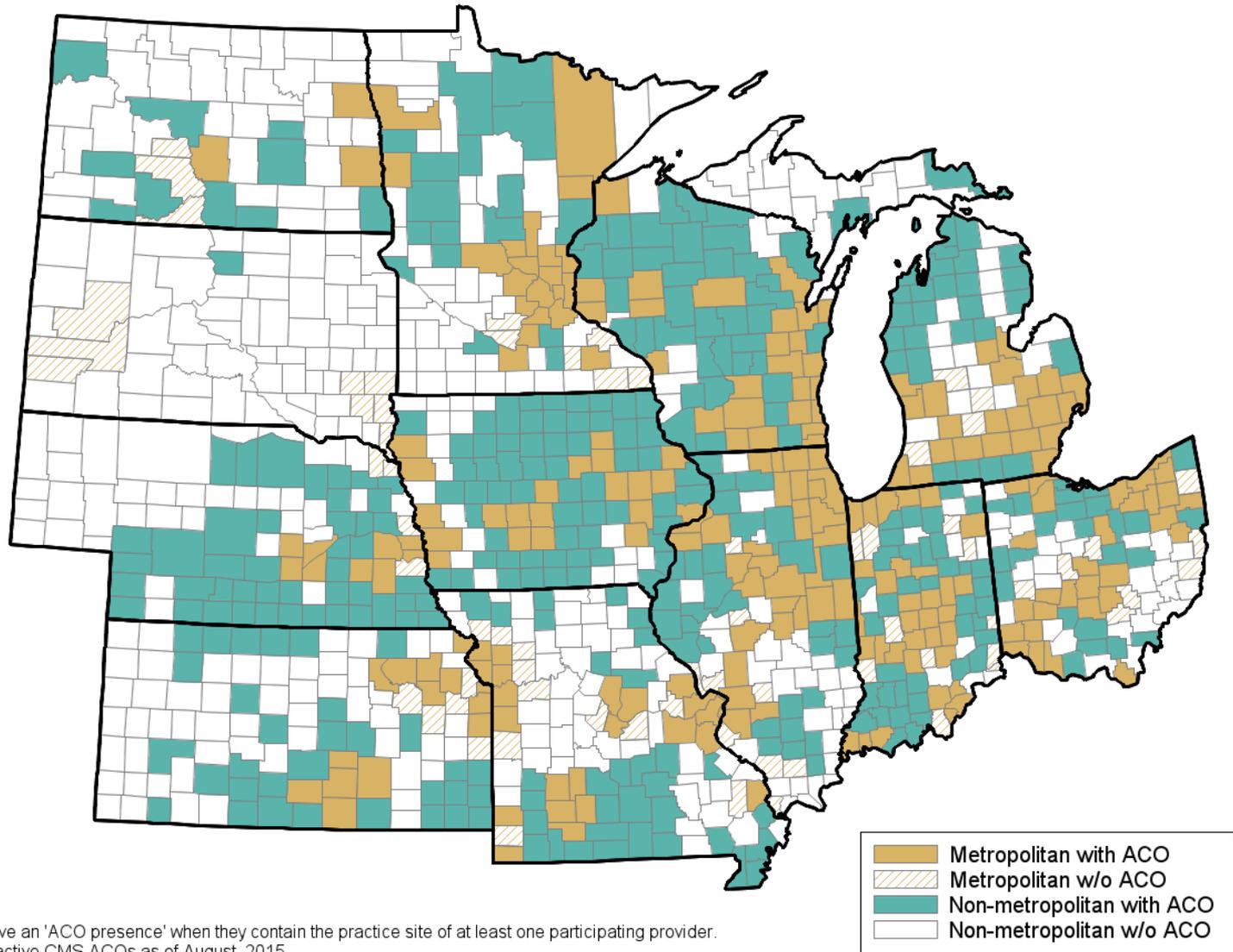
Continental United States



Counties have an 'ACO presence' when they contain the practice site of at least one participating provider.  
Includes all active CMS ACOs as of August, 2015.  
Produced by: RUPRI Center for Rural Health Policy Analysis, 2016.

# County Medicare ACO Presence

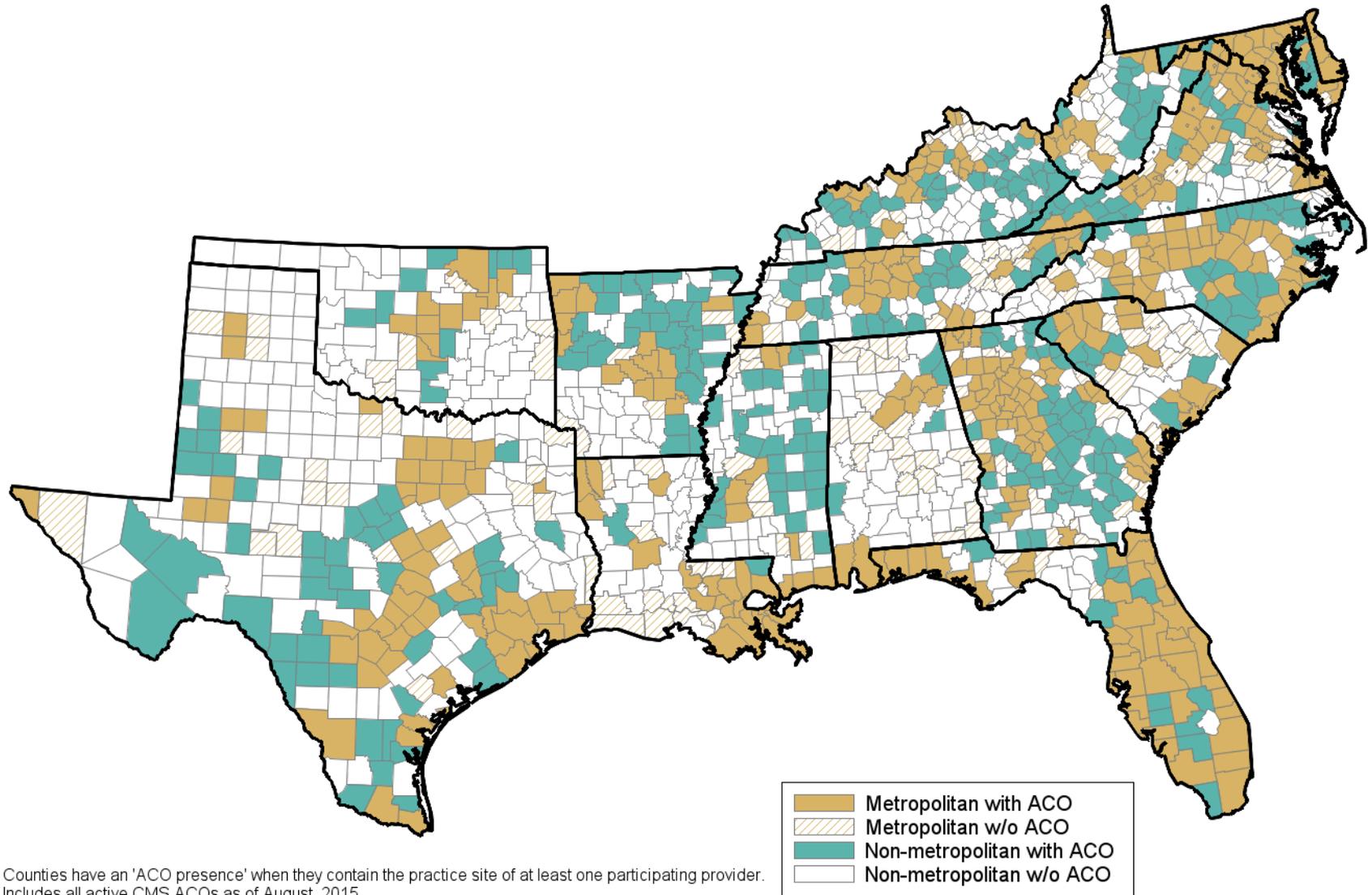
Midwest Census Region



Counties have an 'ACO presence' when they contain the practice site of at least one participating provider. Includes all active CMS ACOs as of August, 2015. Produced by: RUPRI Center for Rural Health Policy Analysis, 2016.

# County Medicare ACO Presence

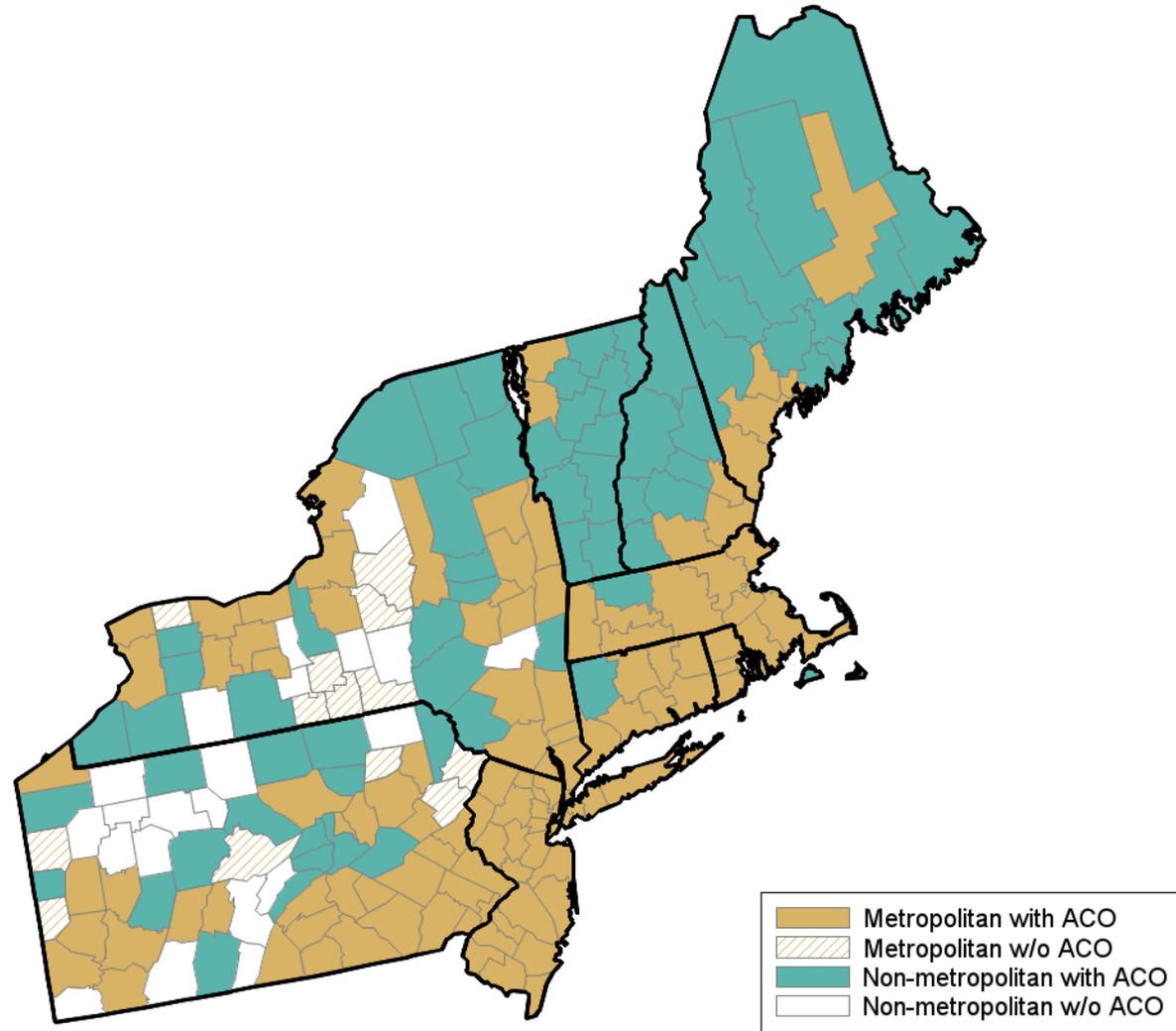
## South Census Region



Counties have an 'ACO presence' when they contain the practice site of at least one participating provider. Includes all active CMS ACOs as of August, 2015. Produced by: RUPRI Center for Rural Health Policy Analysis, 2016.

# County Medicare ACO Presence

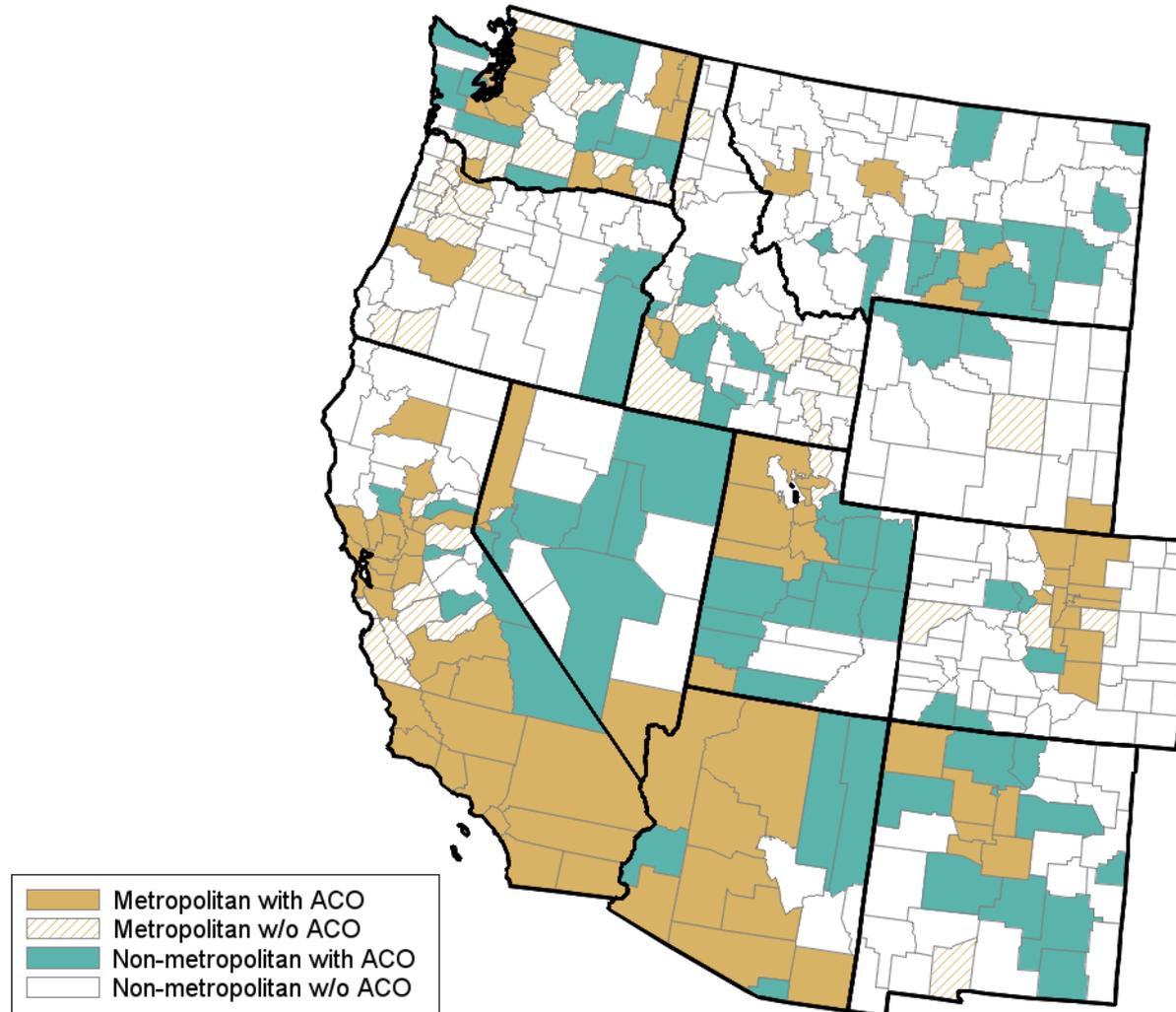
## Northeast Census Region



Counties have an 'ACO presence' when they contain the practice site of at least one participating provider.  
Includes all active CMS ACOs as of August, 2015.  
Produced by: RUPRI Center for Rural Health Policy Analysis, 2016.

# County Medicare ACO Presence

## West Census Region



Counties have an 'ACO presence' when they contain the practice site of at least one participating provider.  
Includes all active CMS ACOs as of August, 2015.  
Produced by: RUPRI Center for Rural Health Policy Analysis, 2016.

# Notable Recent Activity

- Reduction in Pioneer ACOs, but... conversion to MSSP, Next Generation
- Use of the ACO Investment Model program by 34 of the 2016 entrants
- Consortium, national models emerging: NRACO, Imperium Health, Venrok/Aledade

# What we are Learning About Staying Power

- Getting started
- Developmental phase
- Continuation
- Measures of success



# Characteristics Associated with Formation

- Previous organizational integration and risk-sharing experience
- Use of an electronic health record system fostered core ACO capabilities, including care coordination and population health management
- Partnerships across the care continuum supported utilization of local health resources

Source: Baloh et al. "Facilitating the formation of Accountable Care Organizations in Rural Areas." *Rural Policy Brief* RUPRI Center for Rural Health Policy Analysis. July 2014. [www.ruprihealth.org](http://www.ruprihealth.org)

# Developmental Strategies

- Considering ACO activity implementing practices preparing for value-driven rural delivery system
- Common rural strategies include care management, post-acute care redesign, medication management, and end-of-life care planning
- Access to data important enabler of population health, care management, and provider participation

Source: Baloh et al. "Developmental Strategies and Challenges of Rural Accountable Care Organizations." *Rural Policy Brief* RUPRI Center for Rural Health Policy Analysis. February, 2015. [www.ruprihealth.org](http://www.ruprihealth.org)

# Characteristics of 27 Rural ACOs

- 16 were formed by pre-existing integrated delivery networks
- Physician groups played more prominent role than other participant types (including solo practice physicians) in formation and management

# Characteristics of 27 Rural ACOs

- 13 included hospitals with quality-based payment experience, and 11 included hospitals with risk-sharing experience; 12 included physician groups with both types of experience
- Managing care across the continuum and meeting quality standards considered very important to success of ACOs

Source: Salako et al "Characteristics of Rural Accountable Care Organizations – A survey of Medicare ACOs with Rural Presence. *Rural Policy Brief* RUPRI Center for Rural Health Policy Analysis. May, 2015.  
[www.ruprihealth.org](http://www.ruprihealth.org).

# Financial Performance of Rural ACOs

- Analysis of financial performance data from 2014 data released by CMS; for 97 ACOs with rural presence
- Generating savings: 3 of 4 exclusively rural; 6 of 10 mostly rural; 36 of 83 mixed
- Receiving bonus payment: 1 exclusively rural, 0 of mostly rural, 14 of mixed

# Characteristics of ACOs Generating Savings

- Physician-based ACOs more likely than hospital-based ACOs, *on average*
- Participation in Advanced Payment Demonstration



# What Next?

- Evaluating the AIM program
- Understanding organizations with multiple sites or participating ACOs
- Analysis of performance, financial and quality



# For Further Information

## Rural Health Value

<http://ruralhealthvalue.org>

## The RUPRI Center for Rural Health Policy Analysis

<http://cph.uiowa.edu/rupri>

## The RUPRI Health Panel

<http://www.rupri.org>



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