2017 Healthcare Benchmarks: Accountable Care Organizations

In this fourth comprehensive analysis of Accountable Care Organization (ACO) trends, 104 healthcare organizations weigh in on ACO goals, staffing infrastructure, technology and tools, services, success metrics, challenges and ROI, among other benchmarks, via responses to an May 2017 survey by the Healthcare Intelligence Network.

“Identifying patients early in the ED and alerting providers (electronically and automated) that they are in the ACO and have additional resources available to transition them out of the hospital if appropriate [is our most effective ACO workflow.]”
> Hospital/Health System

“Extensivist in the busiest hospitals, HCC (RAF) coding tool at the point of care, and a referral tool (tiers) are our most effective ACO tools. In the future (this year), we will add clinical decision support.”
> Multi-Specialty Physician Practice

“A health risk assessment is our most effective ACO tool.”
> Health Plan

“Beating our total medical expense cost targets for three years running is our greatest ACO success.”
> Hospital/Health System

“In the Medicare space, reducing admissions; for patients admitted, recovering at home sooner.”
> Multi-Specialty Physician Practice
2017 Healthcare Benchmarks: Accountable Care Organizations

This special report, based on results from the Healthcare Intelligence Network’s fourth comprehensive industry survey on Accountable Care Organizations conducted in May 2017, is the latest installment in HIN’S Healthcare Benchmarks series.

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71% of 2017 survey respondents currently participate in ACOs.

About the Healthcare Intelligence Network

The Healthcare Intelligence Network (HIN) is an electronic publishing company providing high-quality information on the business of healthcare. In one place, healthcare executives can receive exclusive, customized up-to-the-minute information in five key areas: the healthcare and managed care industry, hospital and health system management, health law and regulation, behavioral healthcare and long-term care.

Executive Summary

Accountable care organization (ACO) adoption has more than doubled in four years, from 34 to 71 percent, according to 2017 ACO metrics from the Healthcare Intelligence Network. Over that same period, the percentage of ACOs using a shared savings model for provider reimbursement rose from 22 to 33 percent.

Of available ACO designs, the Medicare Shared Savings Program (MSSP) remains the favorite, with MSSP participation hovering at around 66 percent, a metric unchanged since HIN’s 2013 ACO snapshot. Looking ahead to 2018 ACO models, 24 percent will participate in the Medicare ACO Track 1+ Model, a payment design that incorporates more limited downside risk.

In other trends identified by the May 2017 Accountable Care Organization survey, HIN’s fourth comprehensive ACO assessment, ACO administration has shifted from physician-hospital organizations in recent years to integrated delivery systems (IDS). More than one-quarter—27 percent—of 2017 respondents report that an IDS helms their ACO.

With the advent of value-based healthcare, the ACO model has evolved into an epicenter of care delivery and payment reform. In new metrics identified by the 2017 ACO survey, one-third of responding ACOs include behavioral health providers. Twenty-six percent report ACO coverage of more than 100,000 lives, and more than half—57 percent—participate in the Medicare Chronic Care Management (CCM) program.

Finally, weighing in on future ACO trends, 75 percent expect CMS to eventually proactively assign Medicare beneficiaries to a physician’s ACO panel to boost patient and provider ACO participation.

“Significant ACO achievement: Patient engagement and physician collaboration in most areas.”
Respondent Demographics

Responses to the May 2017 survey on ACOs were submitted by 104 organizations. Of 63 respondents identifying their organization type, 32 percent were hospitals or health systems, 10 percent were multi-specialty physician groups, 8 percent were health plans, 8 percent were physician-hospital organizations (PHOs), 8 percent were primary care providers, and 16 percent categorized their organization type as ‘Other.’

Using This Report

This benchmarking report is intended as a resource for healthcare organizations searching for comparable data and means to measure implementation and progress. It is also a helpful planning tool for organizations readying initiatives in this area.

The initial charts and graphs presented here represent results from all respondents; images in subsequent sections depict data from high-responding sectors. (Figure titles include the segment they represent: for example, All, Health Plans, Hospitals, etc.)

Often, one of the largest responding sectors is composed of respondents identifying their organization type as “Other.” In general, we do not depict results from this segment because it represents a wide range of organization types, including consultants and product vendors. However, you will always find a graph indicating the demographics of respondents.

Here are some additional tips for using this report:

- See how you measure up: Scan this report for your sector, and see how your program compares to others. Note where you lead and where you lag.

- Evaluate your efforts: Think about where you have been focusing your efforts in this area. Look for trends in the data in this report. Look for benchmarks set by your sector and others.

- Set new goals: Use the data in this report to set new goals for your organization, or to raise the bar on existing efforts.

- Use it as a reference book: Keep this report accessible so you can refer to it in your work. Use these data to support your efforts in this area.

If you have questions about the data in this report, or have feedback for our team, don’t hesitate to contact us at info@hin.com or 732-449-4468.
Figure 9: All - Covered Lives

How many lives are covered by the ACO?

- 33.3%
- 14.8%
- 25.9%
- 25.9%
- Other (0%)

1 to 9,999
50,000 to 99,999
100,000 or more
10,000 to 49,999

HIN ACO Survey
May, 2017

Figure 10: All - Time Required for ACO Creation

How long did it take to create the ACO?

- 24.5%
- 7.5%
- 13.2%
- 9.4%
- 45.3%

Less than 1 year
12-18 months
18-24 months
2+ years
Other

HIN ACO Survey
May, 2017
The Healthcare Intelligence Network’s **Healthcare Benchmarking Series** provides continuous qualitative data on industry trends to empower healthcare companies to assess strengths, weaknesses and opportunities to improve by comparing organizational performance to reported metrics.

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