Medicare ACOs Continue to Improve Quality of Care, Generate Shared Savings

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The Centers for Medicare & Medicaid Services today issued 2014 quality and financial performance results showing that more Medicare Accountable Care Organizations (ACOs) continue to generate financial savings while improving the quality of care for Medicare beneficiaries by fostering greater collaboration between doctors, hospitals, and health care providers.

When an ACO demonstrates that it has achieved high-quality care and effectively reducing spending of health care dollars above certain thresholds, it is able to share in the savings generated for Medicare. In 2014, 20 Pioneer and 333 Shared Savings Program ACOs generated more than \$411 million in savings, which includes all ACOs savings and losses. The results also show that ACOs with more experience in the program tend to perform better over time.

Medicare ACOs are groups of doctors, hospitals, and other health care providers, who come together voluntarily to provide coordinated high quality care to their Medicare patients. The goal of coordinated care is to ensure that patients, especially the chronically ill, get the right care at the right time, while avoiding unnecessary duplication of services and preventing medical errors. When an ACO exceeds quality and financial thresholds – demonstrating achievement of high-quality care and wiser spending of health care dollars – it is able to share in the savings generated for Medicare.

Scottsdale Health Partners (SHP) generated shared savings of \$3.7 million dollars in 2014. SHP was the only Medicare Shared Savings Program in Arizona to function at a high enough level to earn performance payment. Jim Whitfill, MD, Chief Medical Officer noted, "Our success is due to our relentless focus on three core areas: Physician Engagement, Care Coordination, and the use of innovative technology to improve communication amongst our patients and providers."

About Scottsdale Health Partners

Scottsdale Health Partners (SHP) is a physician-led Clinical Integration Network and Accountable Care Organization participating in the Medicare Shared Savings Program whose mission is to transform care delivery in its local community. SHP is a joint venture formed by Scottsdale Healthcare (SHC), now HonorHealth, and Scottsdale Physician Organization. Scottsdale Physician Organization is comprised of over 600 independent physicians in Scottsdale, AZ.

Additional Resources

Visit the Medicare Shared Savings Program News and Updates webpage to access the HHS press release and fact sheet, the link to the Performance Year 2014 results file, and to learn more about the program.