



Understanding MSSP and BPCI-A Reconciliation

Background

The Centers for Medicare & Medicaid Services (CMS) and Centers for Medicare & Medicaid Innovation (the Innovation Center) currently allow dual participation in both the Bundled Payments for Care Improvement Initiative Advanced (BPCI-A) and the Medicare Shared Savings Program (MSSP). This resource outlines the reconciliation process for BPCI-A and MSSP ACOs when this dual participation occurs. Please note these policies are subject to change and the information outlined below is accurate as of the date of publication according to Innovation Center staff.

Attribution of Patients to BPCI-A and MSSP ACOs

For BPCI-A Model Year 1 and 2, the Innovation Center excludes Track 3 and Next Gen ACO patients from BPCI-A attribution. The Innovation Center also will exclude Enhanced Track ACO patients from BPCI-A attribution during Model Year 1 and 2.

Beginning with BPCI-A Model Year 3, the Innovation Center will no longer exclude Track 3 ACO patients from BPCI-A bundles. Therefore, beginning with BPCI-A Model Year 3 and for subsequent years, only Next Gen ACO patients are excluded from BPCI-A attribution.

Timing of BPCI-A Reconciliation

According to the Innovation Center, after each Performance Period (Jan-June & July-Dec), during the Reconciliation process, CMS will compare the aggregate Medicare FFS expenditures for all items and services included in a Clinical Episode against the Target Price for that Clinical Episode to determine whether the Participant is eligible to receive a payment from CMS, or is required to pay a Repayment Amount to CMS. Participants can expect their first Reconciliation results for Performance Periods 1 & 2 in the fall of 2019. Additionally, each Performance Period will be subject to at least two (2) true-ups with additional claims run-out. For instance, for episodes ending between July 1, 2019 and December 31, 2019, the reconciliation will occur in the spring of 2020. Subsequent true-ups will occur in the fall of 2020 and spring of 2021, which will allow between 15 and 21 months of claims run-out, following the end of the Clinical Episode end dates. This information is included on the Innovation Center [website](#) in the document titled, "[Reconciliation Specification Model Years 1-2 \(PDF\)](#)."

BPCI-A Payments and MSSP Reconciliation

In the Calendar Year 2018 Medicare Physician Fee Schedule final [rule](#), CMS [finalized](#) the proposal that only final non-claims based payments made under a demonstration, pilot, or time limited program would be included in financial calculations related to benchmarks and performance year expenditures under the MSSP. This change takes place beginning in performance year 2018 and for subsequent years. Currently, CMS anticipates that the BPCI Advanced payment model non-claims based payments will not be fully completed within the Shared Savings Program 3 month run-out period used for expenditure

calculations, and thus will not be included in MSSP calculations related to benchmarks or performance year expenditures.

BPCI-A Reconciliation

According to the Innovation Center BPCI-A [Methodology Document](#), BPCI Advanced Participants aligned with an ACO, including MSSP Track 1, 1+, and 2 as well as Basic Track Levels A through E, will have the portion of the BPCI Advanced discount paid out as the ACO's shared savings payment recouped. This step prevents duplicate payment from overlapping savings achieved for the same beneficiary's care. Recoupment calculations occur after the completion of the shared savings calculation under the relevant ACO initiative and will first occur during the second true-up calculations for Performance Period 1 2019 (includes Clinical Episodes ending in 2018, if any) and the first true-up calculations for Performance Period 2 2019 (during the Fall 2020 Reconciliation).

ACO Overlap Reconciliation is Steps 21-26 of BPCI-A Reconciliation:

- Step 21. Identify Participants aligned with an ACO: An Episode Initiator is considered a participant in an ACO if it:
 - Has or bills through a TIN that appears on a Shared Savings Program ACO's certified list of ACO participants;
 - Has a CCN included on an ACO's participating provider list;
 - Or has a TIN/NPI combination included on an ACO's participating provider list.
- Step 22. Check if the ACO achieved savings: Using information from the MDM, check if an ACO achieved savings. If an ACO achieved savings, proceed to Step 23, otherwise skip the remaining steps in this section.
- Step 23. Calculate BPCI Advanced Discount Amount: The BPCI Advanced Discount Amount equals the dollar amount of the CMS Discount Factor (i.e., 3%). For instance, if a Participant's Benchmark Price is \$30,000, the BPCI Advanced Discount Amount is \$900 (3% of the Benchmark Price.)
- Step 24. Determine the Shared Savings Percentage: Using MDM data, determine the savings rate achieved by the ACO after completion of its Performance Period.
- Step 25. Calculate the Scaling factor: Use the components below to calculate the scaling factor:
 - Step 25a. Calculate ACO spending as the aggregate Parts A and B expenditures for beneficiaries aligned with that ACO. Using the BPCI Advanced Discount (Step 23), calculate the BPCI Advanced Discount Amount as a percent of ACO spending.
 - Step 25b. Calculate national spending as the aggregate Parts A and B expenditures for the national population. Using the BPCI Advanced Discount Amount (Step 23), calculate the BPCI Advanced Discount Amount as a percent of national spending.
 - Step 25c. The Scaling factor is equal to one minus the BPCI Discount as a percent of national spending (Step 25b) divided by the BPCI Discount as a percent of ACO spending (Step 25c). Represented mathematically as:
$$\text{Scaling Factor} = 1 - (\text{BPCI Discount as percent of national spending} / \text{BPCI Discount as percent of ACO spending})$$
- Step 26. Calculate the BPCI Advanced recoupment amount: The BPCI Advanced recoupment amount is equal to the product of the BPCI Advanced Discount Amount (Step 23), the Shared Savings Percentage (Step 24), and the Scaling Factor (Step 25). Represented mathematically as:
$$\text{BPCI Advanced Recoupment Amount} = \text{BPCI Advanced Discount Amount} * \text{Shared Savings Percentage} * \text{Scaling Factor}$$

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NAACOS Advocacy

NAACOS has [advocated](#) for a more simple and straightforward policy which would exclude all ACO patients from attribution to any other payment models. NAACOS will continue to advocate for this option which would reduce duplicative care coordination efforts and result in a clear, transparent and understandable policy across all Innovation Center models. For more information please visit our [website](#) or to share your experiences and feedback on model overlap, please contact us at advocacy@naacos.com.