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What does the pandemic mean for NY's accountable care organizations

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New York's accountable care organizations are still unsure exactly how the pandemic ultimately will affect their patients' health care spending. They're counting on Medicare to provide flexibility during an unprecedented year.

Some patients of the more than 30 local ACOs have been hospitalized with serious cases of Covid-19 that will lead to expensive medical bills. Others have been unable to visit their doctors, missing important health screenings such as colonoscopies and eye exams for patients with diabetes, which are needed for the organizations to attain top quality scores.

The federal government has acknowledged the challenge of trying to measure cost and quality data for 2020 against previously established baselines. The Centers for Medicare and Medicaid Services introduced policy changes April 30 to add flexibility in its Medicare Shared Savings Program and Next Generation ACO program.

"CMS has taken notable steps to address concerns about the effects of the pandemic," said Allison Brennan, senior vice president of government affairs at the National Association of ACOs, in Washington, D.C. "We may not be able to pandemic-proof value-based payments, but CMS can still provide meaningful protections, which will keep people committed to the ACO model."

CMS said it would adjust Medicare beneficiaries' health costs to remove Medicare Part A and Part B spending for months in which a person was treated in a hospital for Covid-19. It is allowing ACOs whose participation in the program ends Dec. 31 to extend their agreement by a year and will allow groups that are due to enter a higher-risk version of the program to maintain their current level of responsibility for health costs. It also suspended new entrants into the Medicare Shared Savings Program for 2021.

For ACOs that could incur shared losses if their patients' spending exceeds benchmarks, CMS said it would apply its "extreme and uncontrollable circumstances" policy to lower the amount of money a group would forfeit. Shared losses could be eliminated entirely if the federal public health emergency lasts through the end of the year.

"They recognize that Covid has thrown groups like ours a curve ball from a medical management—let alone a medical expense—perspective," said Kevin Conroy, CareMount Medical's chief financial officer and chief population health officer.

CareMount ACO is part of Medicare's Next Generation ACO program, in which providers assume higher levels of risk for a chance at larger bonuses. It cares for patients in Westchester, Putnam, Dutchess, Columbia and Ulster counties. The 41 participants in the Next Gen program will have the option to take on less risk or stay the course.

"My sense is we would lean toward letting the year play out certainly from a financial perspective but more importantly from a patient-care perspective," Conroy said.

He said CareMount has used telehealth and care management to try to keep patients' chronic health conditions in check during the pandemic. It used risk-stratification models to target its outreach to the most vulnerable and is now using data to determine which patients it should schedule first as it reschedules tens of thousands of canceled appointments.

Dr. Neil Calman, president and CEO of the Institute for Family Health, said there was a three-week period early in the pandemic when visits dropped off substantially before rebounding—except they became mostly virtual. He said the network's 32 community clinics have been doing about 2,400 virtual visits a day and fewer than 300 in-person visits. That has led the institute to close some of its smaller centers and centralize care.

The federally qualified health center is part of Family Health ACO, a collaboration with HRHCare and Open Door Family Medical Centers.

"The most accurate way to say it is we just don't know yet," Calman said. "We're trying to take care of people as best we can, and what that means in terms of overall costs we just don't know yet." —Jonathan LaMantia