



FOR IMMEDIATE RELEASE  
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## **Medicare ACOs Continue to Improve Quality of Care, Generate Shared Savings**

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.

Physicians ACO, LLC is one of the ACOs that generated shared savings.

Physicians ACO (PACO) is pleased to report that our Patient Centered Medical Home model, combined with our integrated care coordination and chronic case management systems, produced almost 10% Shared Savings during 2014 and placed us 5<sup>th</sup> nationally in terms of **Generated Savings on a per member per month (PMPM) basis, among those ACO's eligible for Shared Savings**. Our quality scores were very high as well except in the limited area of Meaningful Use (MU) Certification. Our Primary Care Physicians utilized their EHRs in a meaningful manner, but many did not certify during 2014 due to the onerous requirements of certification. Our participating physicians will enjoy relatively large bonuses in 2015 for their positive engagement with their ACO beneficiaries during 2014. We will ensure that our participating physicians renew **or obtain** MU certification in 2015 and improve beneficiary outcomes with an overall goal of at least 90% quality threshold compliance in 2015.

In addition to those ACOs that generated savings, some ACOs had assigned beneficiary expenditures that were either greater than or less than their updated benchmark, but that fell within their minimum savings rate corridor. This means that they *did not earn a performance payment*.

For more detailed quality and financial results, click [here](#).

### **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.

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