

ACO REACH: Selecting the Right Track and Risk Profile is Not Easy

A year ago, we explored the first results of the Global & Professional Direct Contracting (GPDC) program (renamed to ACO REACH for performance year 2023) and found four themes:

- Most participants could have earned greater savings by selecting a different risk arrangement (Professional or Global);
- “New Entrant” REACH ACOs tended to earn larger savings than their “Standard” ACO counterparts;
- “High Needs” ACOs achieved the greatest savings per beneficiary month; and
- The risk and reward trade-offs with ACO REACH are significant.



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You may recall that the initial start of the GPDC program was postponed due to uncertainty and resource constraints caused by the COVID-19 pandemic. For the same reasons, the initial contract period for the MSSP program was amended to include an optional fourth year of participation, allowing providers additional time to decide between an additional three-year MSSP contract, transitioning to GPDC/ACO REACH, or reverting to FFS. These unexpected events tempered the participation for the first year of the program and caused the number of ACOs participating in the second year to nearly double from 53 to 99. Given the change in landscape, we were interested to see if the same insights held true or if others were present in the data.

	2021	2022	Trend
ACOs	53	99	86.8%
Standard	29	78	169.0%
High Needs	6	8	33.3%
New Entrant	18	13	-27.8%
Beneficiary Months	5,363,530	20,737,048	286.6%
Benchmark	\$3,547,677,848	\$23,307,949,550	557.0%
Cost of Care	\$3,487,672,890	\$22,783,940,741	553.3%
Gross Savings	\$237,985,825	\$869,276,169	265.3%
Net Savings	\$93,073,677	\$484,137,623	420.2%
Savings to CMS	\$144,912,148	\$385,138,546	165.8%
Net Savings PMPM	\$17.35	\$23.35	34.5%

