

ACO Primary Care Flex Model

Model Overview Factsheet



MODEL OVERVIEW

Beginning January 1, 2025, the CMS Innovation Center will test a **new payment model for primary care**, the ACO Primary Care Flex Model (ACO PC Flex Model), within the Medicare Shared Savings Program (Shared Savings Program). ACOs that participate in the model will **jointly participate** in the Shared Savings Program and the ACO PC Flex Model. They will receive a **one-time Advanced Shared Savings Payment** and monthly **prospective, population-based payments**, the **Prospective Primary Care Payments (PPCP)**. The model will test whether improved payment for primary care will empower participating ACOs and their primary care providers to utilize more innovative, team-based, person-centered and proactive approaches to care and positively impact health outcomes, quality and costs of care.

MODEL PURPOSE & GOALS



Improve individuals' experience and access to care while supporting primary care to deliver on key **outcomes**



Grow participation in the Shared Savings Program to reach CMS accountable care goals



Reduce disparities in health care outcomes and access to primary care



Lower costs while enhancing **quality of care** for individuals in the Shared Savings Program

Empower participating ACOs and their providers to **use innovative care delivery approaches** that are team-based, person-centered and proactive – rather than visit-driven – to improve health outcomes and quality of care



The ACO PC Flex Model aims to address the following primary care challenges:

- Need for **increased funding**
- Increasingly **fragmented**, expensive systems of care
- **Disparities in outcomes** for underserved populations
- **Limited flexibility** to deploy resources and arrange services to best serve Medicare patients
- Dependence on **visit-based service volume** to generate revenue

MODEL ELIGIBILITY & PARTICIPATION



Eligible participants include **Accountable Care Organizations** that:

1 Participate in the Shared Savings Program and are low revenue ACOs (as defined under 42 CFR § 425.20)

2 Meet the ACO PC Flex Model eligibility requirements that will be outlined in the upcoming RFA

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ACOs will be selected to participate in the ACO PC Flex Model

Other Model Eligibility Considerations:

- Eligible ACOs include new entrants, renewals or ACOs that start a new agreement period within the Shared Savings Program
- Shared Savings Program BASIC or ENHANCED track ACOs may participate
- Participation is at the ACO level
- Primary care providers not affiliated with a participating ACO are ineligible to participate
- ACOs that are designated as high revenue are not eligible to participate
- ACOs that participate are not eligible to receive the Shared Savings Program's Advance Investment Payments (AIPs)

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MODEL PAYMENT OVERVIEW

The ACO PC Flex Model will provide a one-time **Advanced Shared Savings Payment** to all participating ACOs and **monthly PPCPs** to ACOs and their participating primary care providers, including Federally Qualified Health Centers (FQHCs) and Rural Health Clinics (RHCs), to address the medical and health-related social needs of their patients.

WHY? Prospective payments for primary care will increase the predictability of primary care revenue to ACOs and their providers, shift payment away from fee-for-service (FFS), and increase flexibility for ACOs to use the dollars according to the needs of their assigned Medicare patients.

WHAT'S COVERED? The Advanced Shared Savings Payment can be used to cover costs associated with forming an ACO (where relevant) and administrative costs for required model activities. PPCPs will be made to ACOs in lieu of FFS reimbursement for most primary care services. ACO participants will submit claims as usual and Medicare payment systems will “zero out” claims for primary care services billed and delivered by the ACO's primary care providers to assigned patients.

WHO? ACOs participating in the model will receive monthly PPCPs that replace FFS reimbursement for primary care services for all primary care providers, FQHCs and RHCs participating in the ACO.

HOW MUCH? All ACOs will receive an upfront Advanced Shared Savings Payment of \$250,000. An ACO's PPCP will include a base rate derived from the average primary care spend in their county and amplified by payment enhancements based on characteristics of the ACO and assigned patient population. The PPCP will increase primary care funding for most model participants.



ACOs will distribute PPCPs to their primary care providers, including FQHCs and RHCs, and will be encouraged to distribute the funds on a capitated basis.

MODEL APPLICATION & TIMELINE

Model Milestone/Step	Date
Medicare Shared Savings Program Application <i>ACOs need to apply to the Shared Savings Program first (for both new ACOs and those renewing) before applying to the ACO PC Flex Model. Currently participating ACOs must apply as a Renewal Applicant and begin a new agreement period. ACOs will be asked to indicate their interest in the model within the Shared Savings Program application. Visit the Shared Savings Program's Application Types & Timelines webpage for more information.</i>	Opens: May 20, 2024 Due: June 17, 2024
ACO PC Flex Model Application	Opens: May 2024 Due: August 2024
ACO PC Flex Model Signing Date	Fourth Quarter 2024
Model Performance Period	January 1, 2025 – December 31, 2029

ADDITIONAL INFORMATION

Email: ACOPCFlex@cms.hhs.gov

More information will be available in the upcoming ACO PC Flex Model RFA and future factsheets.