



CMS Seeks New Participants For Both the Medicare Shared Savings Program and Bundled Payments For Care Improvement Initiative

Matthew M. Brohm

The Centers for Medicare & Medicaid Services (CMS) recently announced that it is seeking new participants for both the Medicare Shared Savings Program and the Bundled Payments for Care Improvement Initiative. Following is a brief summary of the key steps to take to participate in the next cycle of each respective program/initiative:

A. Medicare Shared Savings Program - Key Steps to Becoming an ACO in 2015:

The Medicare Shared Savings Program (MSSP) is intended to encourage physicians, hospitals, and certain other types of providers and suppliers to form accountable care organizations (ACOs) to provide cost-effective, coordinated care to Medicare beneficiaries. As a basic level, an ACO is a network of physicians, hospitals, and other health care providers that work together to improve the quality of health care services and reduce costs. The general intent of the MSSP is to reward participants with a share of savings in Medicare costs from the Medicare beneficiaries attributed to a particular ACO as measured against a per capita expenditure benchmark.

One hundred fourteen (114) ACOs originally enrolled in the MSSP during the 2012 calendar year. The MSSP has now grown to over three hundred sixty (360) ACOs participating in the MSSP, serving approximately 5.3 million beneficiaries. On January 30, 2014, CMS released results from the initial one hundred fourteen (114) ACOs participating in the MSSP for 2012, the initial performance year of the program. Notably, the press release issued by CMS reported that nearly half of those ACOs generated a total of \$128 million in Medicare savings.

Now, CMS has announced the key days for participating as an ACO in the 2015 calendar year cycle. If a party is interested in pursuing an ACO, the first step in that process is to file your Notice of Intent (NOI) with CMS. A party must file that notice **between May 1, 2014 and May 30, 2014**. Keep in mind that submitting an NOI imposes no obligations on the filing organization and is non-binding; however, failure to meet this deadline results in a party not being eligible to apply for participation in the MSSP until the 2016 calendar year cycle. Also note that CMS only accepts NOIs submitted electronically and advises that processing time may vary, so applicants are urged to plan to submit their NOI as early as possible.

After filling out the NOI, applicants will receive a confirmation notice from CMS containing an ACO ID number, which will allow the applicant to submit the MSSP application. The due date for completing the MSSP application is July 31, 2014 at 8 p.m. Eastern Time. CMS does not charge any fees to file these forms. Completing the NOI merely holds a place in line should the applicant decide to take the next step (i.e., file the actual application to participate in the MSSP). Anyone thinking about applying for participation in the MSSP for the 2015 calendar year needs to act soon.

For ease of reference, a summary of the critical deadlines to apply for the 2015 calendar year MSSP cycle follows:

Notice of Intent to Apply (NOI) Submission Period	May 1, 2014 – May 30, 2014 <i>[If an organization misses this deadline, it cannot apply for participation in the MSSP until the 2016 cycle.]</i>
NOI Deadline	May 30, 2014 at 8 p.m. Eastern Time <i>[Again, missing this deadline means having to wait another year to apply.]</i>
CMS User ID Forms Submission Period	May 6, 2014 – June 9, 2014
Applications Submission Period	July 1, 2014 – July 31, 2014
Applications Deadline	July 31, 2014 at 8 p.m. Eastern Time
Application Approval or Denial Decision Sent to Applicants	Fall 2014
Reconsideration review deadline	15 Days from Notice of Denial

B. Bundled Payments for Care Improvement Initiative:

On February 14, 2014, CMS published a notice in the Federal Register announcing an open period for additional organizations to apply for consideration to participate in Models 2, 3, and 4 of its Bundled Payments for Care Improvement (BPCI) initiative. Interested organizations **must apply by April 18, 2014**.

The BPCI, which was authorized by the Patient Protection and Affordable Care Act (P.L. 111-148), is part of an innovative payment and service delivery model test designed to reduce Medicare, Medicaid or Children’s Health Insurance Program (CHIP) expenditures, while preserving or enhancing the quality of care for beneficiaries. Under the BPCI initiative, CMS compensates participating organizations via bundled payments, rather than the traditional fee-for-service payments, for providing a set of services to Medicare beneficiaries. Bundled payments are designed to incentivize provider coordination and adoption of redesigned care processes by making a single payment for a set of services related to treatment of a particular condition during an “episode” of care.

Following is a brief description of Models 2, 3, and 4:

- **Model 2** – Analyzes retrospective bundled payment models for episodes of care involving inpatient hospital stays followed by immediate post-acute care.
- **Model 3** – Assesses post-acute care retrospective bundled payment models where episodes do not involve acute inpatient hospital stays.
- **Model 4** – Tests prospectively administered bundled payment models in cases where there are acute inpatient hospital stays and related readmissions.

Over the course of the three-year initiative, CMS will work with participating organizations to assess whether the models being tested result in improved patient care and lower costs to Medicare. CMS believes that increasing the number of organizations participating in the BPCI and the types of “episodes” being tested will result in an even more robust data set and improve its evaluation of the models.

C. Action Plan for Interested Providers:

Parties seeking to participate in either the MSSP or the BPCI should act fast to file the requisite forms with CMS. More specifically, providers interested in participating in the (i) MSSP must file their NOI with CMS between May 1, 2014 and May 30, 2014, or (ii) their BPCI forms by April 18, 2014.

Authors and Contributors

Matthew M. Brohm

Associate, Atlanta Office
404.873.8740
matthew.brohm@agg.com

not *if*, but *how*.[®]

About Arnall Golden Gregory LLP

Arnall Golden Gregory, a law firm with more than 150 attorneys in Atlanta and Washington, DC, employs a “business sensibility” approach, developing a deep understanding of each client’s industry and situation in order to find a customized, cost-sensitive solution, and then continuing to help them stay one step ahead. Selected for The National Law Journal’s prestigious 2013 Midsize Hot List, the firm offers corporate, litigation and regulatory services for numerous industries, including healthcare, life sciences, global logistics and transportation, real estate, food distribution, financial services, franchising, consumer products and services, information services, energy and manufacturing. AGG subscribes to the belief “not if, but how.” Visit www.agg.com.

Atlanta Office

171 17th Street NW
Suite 2100
Atlanta, GA 30363

Washington, DC Office

1775 Pennsylvania Ave., NW,
Suite 1000
Washington, DC 20006

To subscribe to future alerts, insights and newsletters: <http://www.agg.com/subscribe/>

©2013. Arnall Golden Gregory LLP. This legal insight provides a general summary of recent legal developments. It is not intended to be, and should not be relied upon as, legal advice. Under professional rules, this communication may be considered advertising material.