ACO REACH: Addressing Health Disparities with 5 Health Equity Centered Policies

Health disparities have become a hot topic in the healthcare world, with more providers and payers focusing their efforts on addressing inequities across various demographics of patients. It comes as no surprise that CMS is rolling out the ACO Realizing Equity, Access, and Community Health (REACH) program, running from 2023-2026, to expand healthcare access, encourage providers to work with underserved communities, and take consideration of Social Determinants of Health (SDOH) in care plans. The ACO REACH program adopts the same risk options the DCE Program offered: option 1 of 50% shared savings or losses with a monthly risk adjusted payment for primary care services, known as Primary Care Capitation (PCC); or option 2 of 100% shared savings or losses with either PCC or a monthly risk adjusted payment for all services including specialty services, known as Total Care Capitation (TCC). Two key aspects that differentiate the DCE program from the new ACO REACH program are the added goal of promoting health equity and addressing health disparities in historically underserved communities and the inclusion of five new health equity centered policies.

The first of these policies began during the application cycle of the program and was created to encourage organizations to apply to ACO REACH even if addressing health disparities or working with underserved populations was a new challenge for applicants. The Questions in Application and Scoring Health Equity policy allowed discretionary points to be awarded to applicants who asked questions related to direct patient care experience or offering high quality care to underserved communities. Historically the DCE program and other similar initiatives attracted organizations with more resources that may not have had a focus on health equity due to emphasis on quality reporting; however, this policy was an aim at expanding the audience of the ACO REACH program to include organizations who have an interest in health equity but may have shied away in the past due to limited resources.

To address organizational needs and accommodate different ACOs, a Health Equity Plan Requirement was also implemented. This policy requires participants to submit a health equity plan for the 2023 Plan Year (PY) in the form of a Direct Impact Statement (DIS).

The DIS will include five sections:

1) Identify health disparities and priority populations

2) Define goals

3) Establish organizational health equity strategies

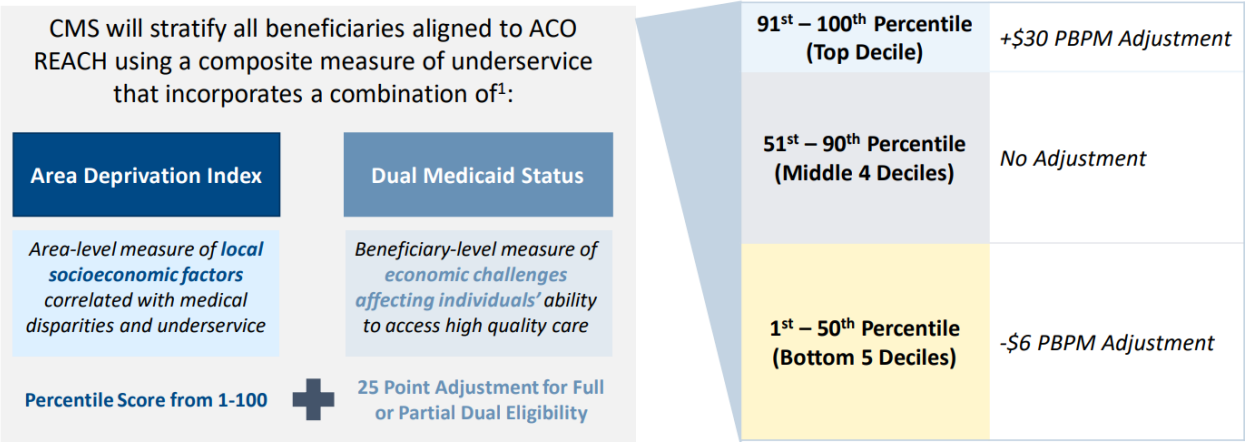
4) Determine what organization needs to implement strategies

5) Monitor and evaluate progress

Participants will have the opportunity to reflect upon and update their DIS in following plan years. This policy will help the program administrators identify common trends in strategies, gaps to implementation of strategies, and population types served to strengthen the program in future years.

In addition to planning for addressing health disparities, the ACO REACH program has implemented two quality related measures to incentivize participation in health equity focused care. The first of these is the Health Equity Benchmark Assessment which is a two-part stratified score given to participants to encourage providing care to underserved areas and communities, depicted below. The characteristics used to identify an underserved beneficiary or area include: rurality, race/ethnicity,

income level, Low-Income Subsidy (LIS), language, dual-eligibility, and disability status. The first part of the score is based on an area deprivation level scale, which assesses how underserved an area is, and ranks that level on a scale of 1-100. The second part of the score is based on the beneficiary level and awards 25 bonus points for full or partial Medicaid dual-eligibility populations. To assess payment adjustments the two scores are combined and categorized into 3 percentile tiers. The bottom 50th percentile of participants will see a negative $6 Per-Beneficiary-Per-Month (PBPM) adjustment in capitation. The 50th-90th percentile of participants will see no adjustments to their capitation, and the top 10th percentile will see a positive $30 PBPM adjustment in capitation. This benchmark aims to incentivize participants to work with highly underserved populations and rewards this effort with additional capitation. Additional capitation for top participants can also help offset limited resources or additional work needed to provide quality care within higher deprivation areas.



The second health equity related quality policy the program implemented is the Health Equity Data Collection Requirement. While submitting beneficiary data on demographics and SDOH is optional for the 2023PY, it is indicated that for the 2024PY and onward, submitting this data will be required. The purpose of this measure is to monitor and analyze the types of patients ACOs are treating and how the program can improve in addressing health disparities. From the submitted data, the program will calculate a reporting score and add an additional 10% to the participant's quality score. For participants that do not report data in 2023, the maximum quality score will be 80%; while participants who report data will have a base score that an additional 10% is added to with a maximum score of 100%.

The final health equity focused policy ACO REACH implemented is the Nurse Practitioner (NP) Services Enhancement Benefit. The purpose of this policy is to address provider shortages and reward established relationships of NPs and physicians that provide quality care. Some care waivers the program will be offering to NPs include: hospice care and planning, need for diabetic shoes, medical nutritional therapy, infusion care and planning, and cardiac rehabilitation.

Overall, the implementation of 5 health equity focused policies in the ACO REACH program demonstrates CMS's dedication to addressing health disparities and expanding care to historically underserved beneficiaries and communities. CMS sets the tone for commercial health plans in terms of areas to focus on, so within the next few years the focus of health equity will only continue to grow across all service lines.

Sources: ACO Realizing Equity, Access, and Community Health (REACH) Model Request for Application (cms.gov), ACO REACH | CMS Innovation Center, ACO Realizing Equity, Access, and Community Health (REACH) Model Health Equity Update Webinar (cms.gov)