Accountable for HEALTH INSTITUTE

westhealth™ policy center

SUMMARY OF ROUNDTABLE DISCUSSION

# Identifying and Addressing Barriers to Accountable Care Adoption

There is a longstanding recognition that underlying the U.S. health care system's high costs, variable quality and fragmented care delivery is a  a fee-for-service payment system that fails to incentivize care coordination and management, quality, or efficiency. For decades, there has been bipartisan support for developing innovative payment models that promote accountability for cost, quality, and outcomes. Accountable care offers significant strengths as compared to a fragmented fee-for-service delivery system. Benefits include improving care coordination, creating efficiencies, eliminating burdensome requirements, and saving money.

Across both political parties, policymakers have articulated the goal of moving 100 percent of Medicare payments and most Medicaid payments to accountable care. Yet, today, only about half of traditional Medicare payments flow through accountable care. The Accountable for Health Institute and West Health Policy Center convened a roundtable for experts to discuss the accountable care landscape, identify barriers to adoption of accountable care and ways to address these barriers.

| BARRIER | ADDRESSING BARRIERS |
|---|---|
| **Weak Incentives to Drive Transformation**<br>• Incentives to participate have decreased and the burden of participation has increased.<br>• Long lag times between performance and incentive payment as well as a reliance on a volume-based claims system reduce the saliency of the accountable care incentive structure. | **Clear, Strong Incentives for APM Participation**<br>• Reform the accountable care incentive to address structural inequities.<br>• Shortening the time between performance and payment.<br>• Creating predictable payments.<br>• Making incentives more attractive than fee-for-service reimbursement opportunities. |
| **Regulatory Barriers to Beneficiary Engagement in Accountable Care**<br>• Stringent rules govern marketing and communication between ACOs and beneficiaries.<br>• Regulations limit the ability to address beneficiary cost sharing and additional flexibility and benefits to improve patient care. | **Reduce Regulatory Burdens to Beneficiary Participation**<br>• Permit accountable care participants to communicate more freely about the benefits of accountable care.<br>• Provide accountable care entities with financial resources and flexibility to offer enhanced benefits and cost sharing support in traditional Medicare. |
| **Lack of Stability and Predictability in the Accountable Care Environment**<br>• Factors specific to accountable care, such as expiring models and retrospective payment adjustments create instability.<br>• External environmental changes, such as recent changes to the Medicare payment landscape reverberate through the accountable care environment. | **Stable, Predictable Participation Options**<br>• Improve stability and predictability for model participants, including removing retrospective adjustments and allowing greater transparency and feedback on model design.<br>• Articulate clear, timely transitions when models are slated to end. |

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