King & Spalding Health Headlines

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CMS Announces 27 Accountable Care Organizations for April 1st Start Date

On April 10, 2012, CMS announced that it had entered into agreements with 27 accountable care organizations (ACOs) to participate in the Medicare Shared Savings Program, effective April 1. According to CMS's announcement, these ACOs include more than 10,000 physicians, 10 hospitals and 13 physician organizations and will treat more than 375,000 beneficiaries in 18 states. These 27 ACOs join the 32 Pioneer Model ACOs with which CMS announced participation agreements last December. (The Pioneer ACO model provides additional financial incentives and risk levels for delivery systems with experience in care coordination.) Moreover, CMS also announced five ACOs that will participate in the Advance Payment ACO Model, effective April 1. These rural and physician-based ACOs will receive shared savings payments on an earlier timetable than other ACOs in order to offset startup costs. CMS plans to announce a second round of participants for the July 1 start date, and is reviewing more than 150 applications from ACOs seeking to participate in the Shared Savings Program, and more than 50 applications from ACOs seeking to participate in the Advance Payment Model.

The CMS announcement, which includes a list of the approved ACOs, is available here.

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