Accountable Care Organizations: Advocating for Children and PNPs Within New Models of Care

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Accountable care organization, health care reform, integrated health system

The rollout of health care reform legislation includes new approaches to care and payment models. These approaches are key to improving patient outcomes and decreasing health care costs nationally. One approach of the health care reform legislation to improve care coordination, ensure quality and safety, and reduce redundancy and waste is the accountable care organization (ACO). ACOs are provider-based organizations that assume responsibility and accountability for the quality, cost, and comprehensive care of a defined population of patients across the continuum of care (American Academy of Pediatrics [AAP], 2011; National Committee for Quality Assurance [NCQA], 2010; Rittenhouse, Shortell, & Fisher, 2009).

ACOs are the topic of considerable legislation and rule making federally, some of which will affect pediatric care. In Section 3022 of the Affordable Care Act (P.L. 111-148), Congress established a Medicare Shared Savings Program to encourage the development of ACOs for Medicare beneficiaries. The Centers for Medicare and Medicaid (CMS) recently published their proposed rules to implement the Medicare Shared Savings Program (CMS-1345-P) for the care of Medicare patients. Also contained in the legislation is language calling for the Department of Health & Human Services to establish a Pediatric Demonstration Project to promote ACOs in Medicaid and Children's Health Insurance Programs (CHIPs) between 2012 and 2016. The CMS has not yet proposed ACO rules for Medicaid and CHIP; however, it is anticipated that the Medicaid and CHIP ACO programs will be largely modeled after the Medicare Shared Savings Program and ACO rules governing Medicare ACOs (AAP, 2011).

Pediatric nurse practitioners (PNPs) need to understand basic structures and underlying principles of ACOs to be effective advocates for pediatric patients and NP roles within ACOs. This article presents an overview of ACO models and principles, describes anticipated risks and benefits for pediatric patients within models of care, proposes appropriate roles for PNPs within this new model of care, and outlines strategies for advocacy to improve access to high-quality pediatric care for children and families.

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ACO MODEL OF CARE

The overall goal of the ACO model of care is to improve quality of care while reducing or at least substantially slowing the growth of health care expenditures (Fisher & Shortell, 2010). As proposed, ACO quality of care improvements and cost reductions would be achieved by emphasizing high-quality primary care services to prevent health problems or detect them early, as well as by providing expert care coordination that ensures timely and appropriate access to needed care and services and reduces wasteful expenditure for redundant tests and procedures (Rittenhouse et al., 2009).

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The final publication of the NQCA ACO core competencies is soon to be released. NCQA's draft principles (2010) propose that ACOs should have (a) a strong primary care health care home (medical home) foundation; (b) the ability to support quality improvement and reduce inefficiencies by obtaining and reporting reliable performance measures; (c) a commitment to quality improvement, enhancing the patient experience, and reducing costs; (d) a willingness to work with community and regional stakeholders to effectively manage the full continuum of health care; and (e) a system that supports a sustainable workforce. The draft criteria call for ACOs to clearly define their leadership and organizational structure, ensure that the organization has the needed numbers and types of primary care and specialty providers to meet patient population needs, provide patient and family-centered primary care, and have sufficient resources to collect and manage data from a variety of sources for clinical and administrative purposes.

Unlike the current fee-for-service reimbursement model, the ACO payment structure is based on paying for value (quality/cost) instead of rewarding high volume of care. Financial incentives are directed toward providers or care teams who keep their patients healthy and optimally manage their patients' conditions by providing safe, high-quality, effective, and efficient care, as determined by a defined set of patient outcome measures (Miller, 2009a).

The extent to which an ACO shares savings or financial risks is dependent on the structure or level of the ACO. Harold Miller, executive director of the Center for Healthcare Quality and Payment Reform (2009b), described four levels of ACOs. As the level of ACO increases, the provider structures and foci of care become more complex (see Table). Likewise, as the ACO level increases in complexity, the opportunities for shared savings and financial risks increase. As imagined to its fullest extent, ACO payment would be based on what Miller (2009a) describes as a "comprehensive care payment" or "condition-adjusted capitation." This type of payment would be a total per-patient payment per year that would be adjusted based on the anticipated costs to care for the level of health/morbidity and social complexity of each patient.

Anticipated Benefits and Risks for Children and Families Within ACOs

The ACO model of care has the potential to provide a number of benefits to children and their families. First, this model of care emphasizes a primary health care home approach that includes comprehensive primary

TABLE. Accountable care organization levels: structure and practice focus

ACO level	ACO structure	ACO foci
Level 1 ACO	An organization of primary care practices (Independent Practice Associations)	Primary care prevention and care improvement for *ambulatory case-sensitive conditions* (Agency for Healthcare Research and Quality, 2011; conditions for which optimal primary care can prevent hospitalizations, complications, or increased severity of disease)
Level 2 ACO	An organization that includes primary care practices and frequently used specialties	Primary care prevention, care improvement for ambulatory case-sensitive conditions, and common specialty procedures
Level 3 ACO	An integrated delivery system organization of primary care practices, specialists, and hospitals	Most, if not all, health care opportunities for quality improvement and cost reduction
Level 4 ACO	An integrated organization of health care providers, public health agencies, and social service organizations	Improved outcomes for broad patient population (may include specific vulnerable populations such as homeless or uninsured)

ACO, Accountable care organization.

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