



**HEALTH  
DATA ANALYTICS  
INSTITUTE**

**VBC**ExhibitHall  
.com   
*Educational Webinar Series*

# First Read: 2023 ACO Performance

**Value-Based Care Exhibit Hall**

December 2023



# HDAI delivers predictive analytics and insights to leading ACOs



**Josh Gray**

VP, Analytic Services



**Carola Endicott**

VP, Customer Engagement

- Health Data Analytics Institute (HDAI) is a **predictive analytics and care optimization company with access to every Medicare fee-for-service claim** between 1999 and last month
- We have built **hundreds of predictive models** to determine the risk of specific, actionable clinical actions and outcomes. We have also developed a rigorous methodology for benchmarking performance across risk bearing provider networks and health systems
- Our platform, ***Health Vision***, provides **network insights, performance analytics, and individual patient risk and care profiles** for a cohort of early adopter ACOs



# Agenda

---

- How are ACOs performing in 2023?
- What are the best performing ACO types?
- What distinguishes the most cost-effective ACOs?
- Who are the most cost-effective ACOs in the country by segment?

**We would be pleased to provide you with a customized benchmarking report comparing your ACO's performance to peers, including YTD for 2023.**  
**Just let us know!**



# HDAI Savings Rate

The **HDAI Savings Rate** quantifies how much it costs specific ACOs to treat their beneficiaries compared to all Medicare patients with similar demographics and medical histories

- Every patient attributed to an ACO is matched to a set of **digital twins**, selected from ~30 million Medicare FFS beneficiaries
- Digital twins are individuals with very similar demographic profiles, enrollment status, and medical histories
- The costs of the patients attributed to a specific ACO are then compared to the actual costs of the attributed beneficiaries' digital twins
- We believe this bottom-up analysis is more rigorous than the more commonly used top-down approaches
- Our model results have been systematically validated and published in leading medical journals



# HDAI RAF Capture Index

The **HDAI RAF Capture Index** estimates how completely a given ACO documents care relative to its peers.

- The Risk Adjustment Factor (RAF) is a score calculated by CMS that reflects the medical acuity of beneficiaries attributed to ACOs. RAF scores are an important factor affecting each ACO's benchmark, which in turn influences bonus payouts.
- RAF scores are determined in part by how carefully providers document care provided to their beneficiaries.
- To estimate how completely a given ACO documents care, we match each beneficiary to twins with similar RAF scores, demographics, and medical histories.
- We then compare any changes in RAF scores between ACOs over time. RAF scores that change more or less than twins may indicate important differences in coding practices. The RAF Capture Index quantifies the magnitude of these differences.



# 2023 performance in line with last few years...

Recent performance of MSSP ACOs

Measure	2023 YTD performance*	Average 2020 – 2022
Projected % of ACOs under benchmark**	61%	63%
HDAI Savings Rate	1.7%	2.2%

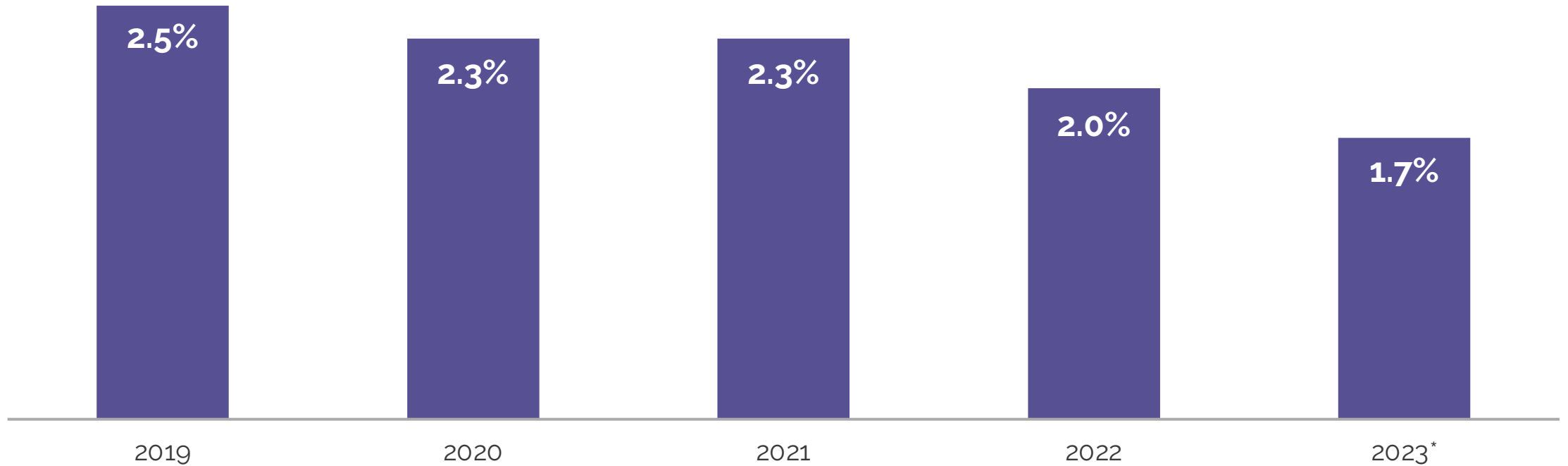
\* January through September.

\*\* Projected for 2023.



## ...but MSSP ACOs are saving less over time

Savings Relative to FFS – MSSP ACOs, over time

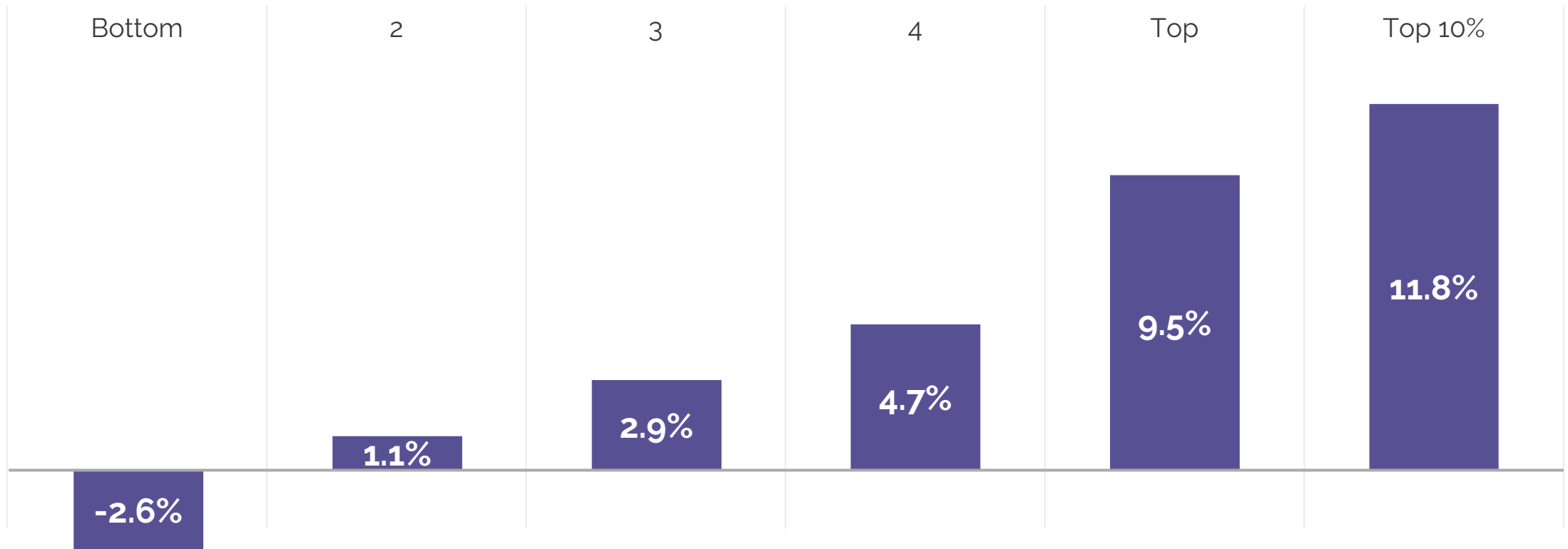


\*January to July.



# Overall savings performance masks wide variation across ACOs

HDAI Savings Rate by Quintile, YTD 2023\*



\*January to September.





# Savings rate drives payout

Payout by Cost Performance, Two-Sided ACOs - 2022

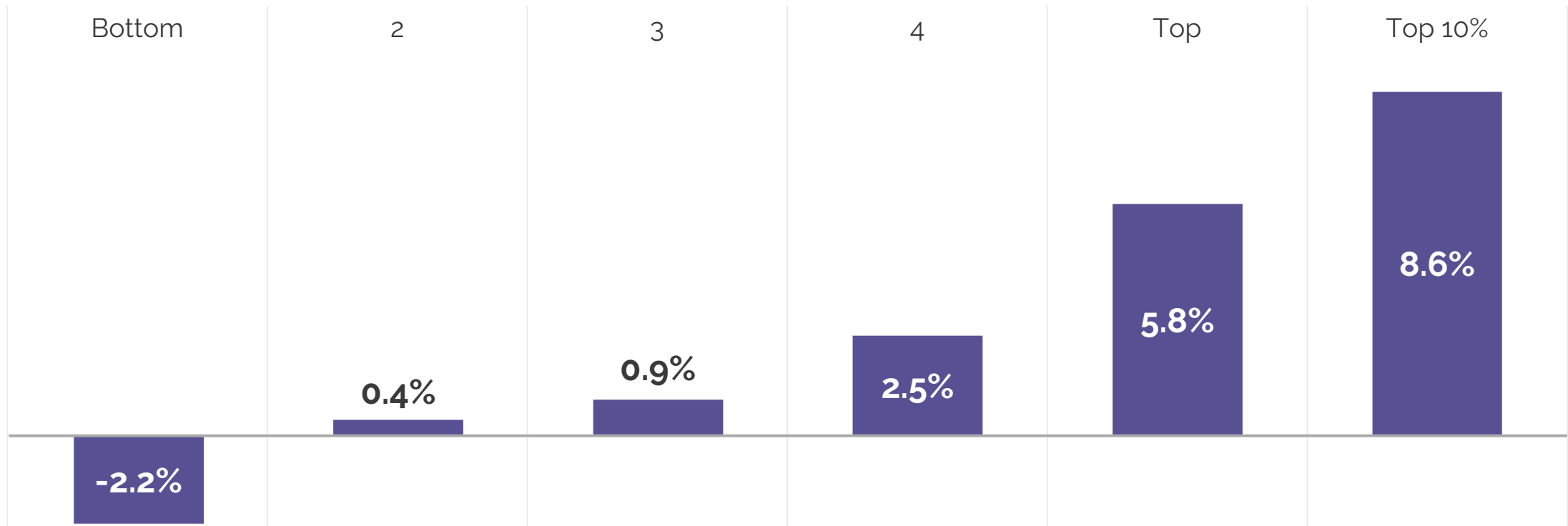
HDAI Savings Rate Quintile	HDAI Savings Rate	% ACOs generating savings*	% ACOs receiving payout	Average pay-out per beneficiary**
Top	8.9%	98.2%	96.4%	\$689
4	4.7%	100.0%	91.1%	\$458
3	2.4%	89.3%	75.0%	\$430
2	1.3%	89.3%	82.1%	\$279
Bottom	(1.4%)	64.3%	46.4%	\$250

\* According to CMS and based on CMS benchmark.

\*\* For ACOs receiving any payout.

# RAF capture practices vary widely

HDAI RAF Capture Index by Quintile, YTD 2023\*



\*January to September.



# How are different segments performing?

---

- MSSP vs. Reach
- NFP vs. NFP vs. Public Benefit Corporation
- Health System vs. Physician Network
- Academic vs. Community Health Systems
- Enabler partnerships versus not



# Reach programs saving more, documenting more aggressively

2023 YTD Performance\*, Reach vs. MSSP

Measure	MSSP	Reach Programs
Number of ACOs	456	132
Beneficiaries	9.8 million	1.9 million
HDAI Savings Rate	1.7%	4.8%
RAF Capture Index	+1.1%	+3.1%

\*January to September.



# Not-for-Profits save less and have lower RAF capture

2023 YTD Performance\* by Business Type

Measure	NFPs	For profits	Public Benefit Corporations
Number of ACOs	229	175	42
Beneficiaries	6,172,643	3,228,229	875,923
HDAI Savings Rate	-1.3%	-3.2%	-3.2%
RAF Capture Index	1.1%	1.9%	2.7%

\*January to September.



# Physician Networks outperform Health System based ACOs

2023 YTD performance\* by health system affiliation status

	Health System-led ACOs	Physician Networks
<b>Number of ACOs</b>	243	311
<b>Beneficiaries</b>	6,195,256	5,312,287
<b>HDAI Savings Rate</b>	1.4%	3.1%
<b>RAF Capture Index</b>	1.1%	2.0%

\* January to September.



# AMC and non-AMC Health System ACOs perform similarly

2023 YTD performance, \* AMC affiliated ACOs vs. community health system affiliated ACOs

	AMCs	Non-AMCs
<b>Number of ACOs</b>	37	206
<b>Beneficiaries</b>	1,134,172	5,061,084
<b>HDAI Savings Rate</b>	1.2%	1.4%
<b>RAF Capture Index</b>	1.6%	0.9%

\* January to September.



# Several enabling companies have entered the market

---







# ACOs partnering with enablers performing slightly better

2023 YTD Performance by Enabler Partnership Status

Measure	ACOs working with enablers	ACOs not working with enablers
Number	116	468
Beneficiaries	2,742,738	9,100,544
HDAI Savings Rate	-2.5%	-2.2%
RAF Capture Index	1.8%	1.4%

\*January to September..



# Substantial performance variation among ACOs partnering with enablement companies

2023 YTD Performance\*

Enablement Company	HDAI Savings Rate	HDAI RAF Documentation Index
A	6.6%	0.5%
B	5.4%	4.2%
C	4.4%	2.4%
D	3.2%	2.7%
E	2.6%	7.5%
F	1.1%	-0.2%
G	-1.0%	0.8%

\*January to September. Excludes enablement companies with fewer than 25,000 projected beneficiaries as of 2023.

A photograph of a female doctor in a white lab coat with a stethoscope around her neck, smiling warmly at an elderly female patient. The patient is also smiling and looking up at the doctor. The background is a solid teal color with faint, large, stylized white arrows pointing in various directions. The text "What makes great ACOs great?" is overlaid in white, bold, sans-serif font on the right side of the image.

**What makes  
great ACOs great?**



# Breaking down ACO populations into actionable segments

	Low risk	Rising risk	Complex	Advanced illness	Hospice
<b>Characteristics</b>	<ul style="list-style-type: none"> <li>No recent hospitalization</li> <li>Few risks</li> </ul>	<ul style="list-style-type: none"> <li>No recent hospitalization</li> <li>Diverse range of underlying risk factors</li> </ul>	<ul style="list-style-type: none"> <li>No recent hospitalization, but high admit risk</li> <li>Multiple risk factors</li> </ul>	<ul style="list-style-type: none"> <li>Approaching end of life</li> <li>High hospice utilization</li> </ul>	<ul style="list-style-type: none"> <li>Patients with a recent hospice claim</li> </ul>
<b>% of patients</b>	49.1%	25.5%	19.0%	5.9%	0.6%
<b>% of costs</b>	16.3%	18.7%	36.1%	25.7%	3.1%
<b>\$PMPM</b>	<b>\$309</b>	<b>\$614</b>	<b>\$1,582</b>	<b>\$3,798</b>	<b>\$4,709</b>

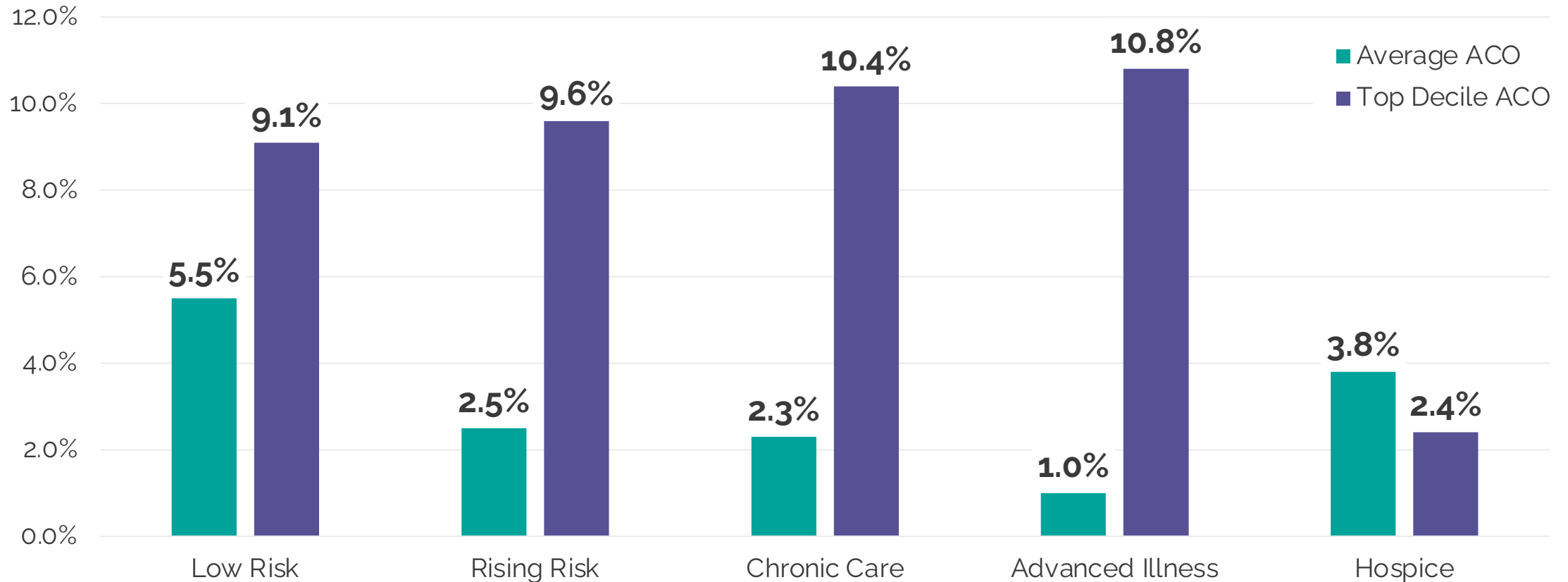
**75% of beneficiaries**  
**35% of costs**

**25% of beneficiaries**  
**65% of costs**



# Top ACOs manage higher risk segments more cost-effectively

Cost Savings by Patient Segment , 2023– Average ACOs vs. Top Decile ACOs

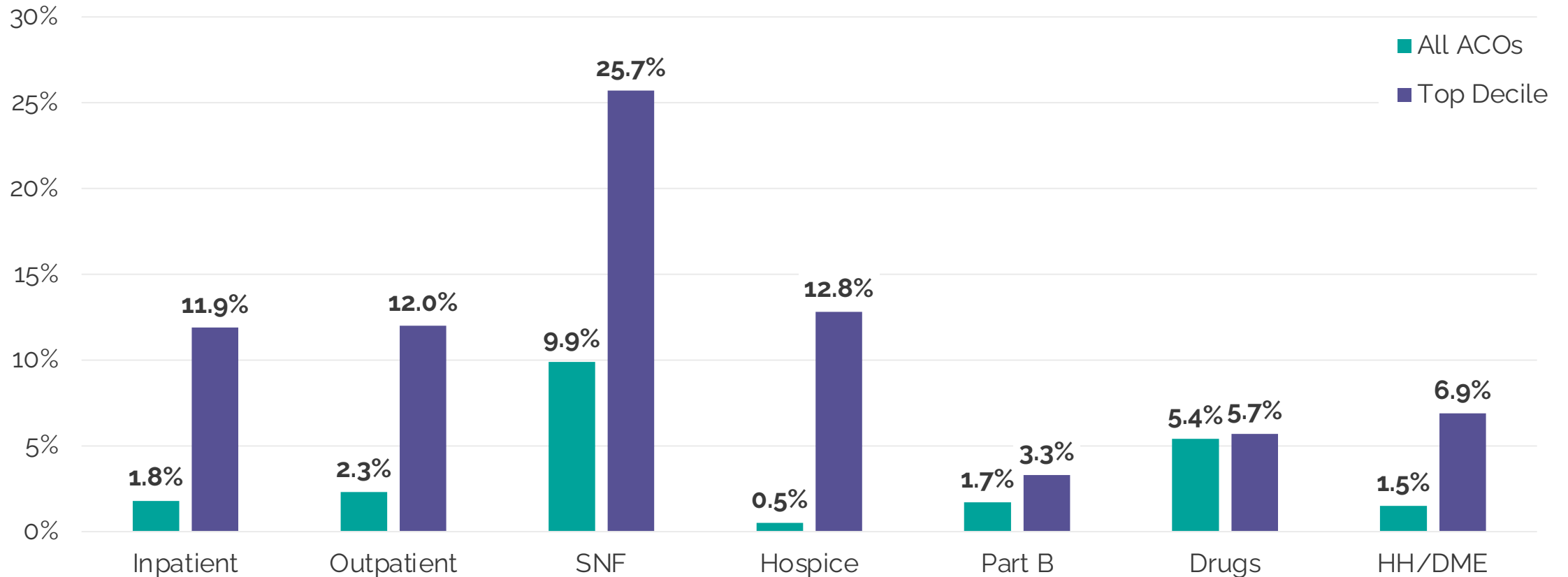


January - September.



# Top ACOs manage facilities costs more effectively

HDAI Cost Saving, 2023\*: All ACOs vs. Top Decile

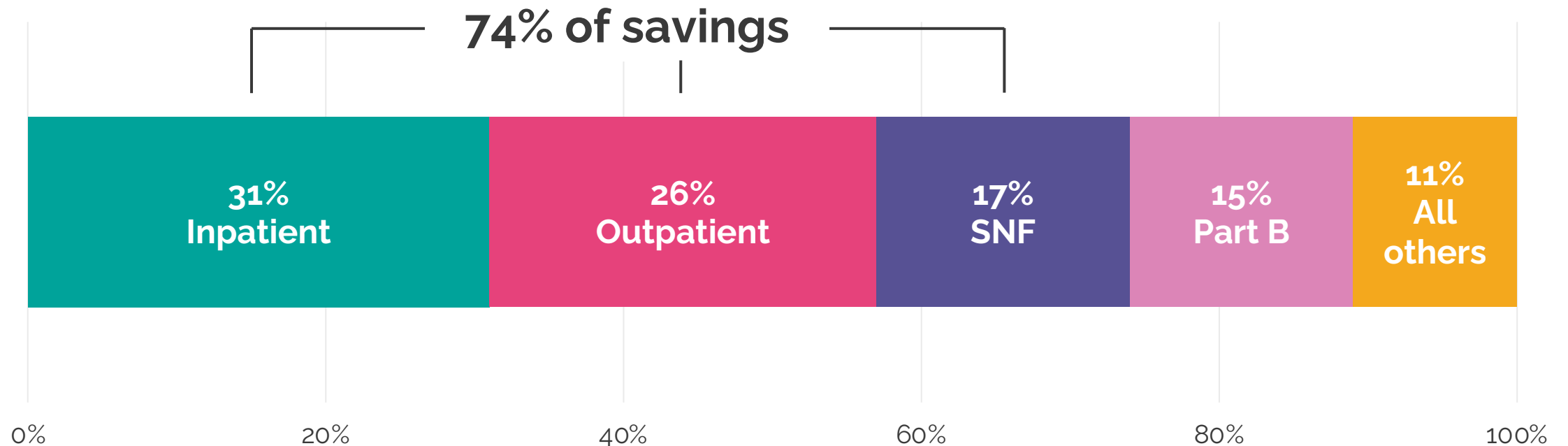


January - September.



# 74% of savings from inpatient, outpatient, and SNF utilization

Sources of savings: top decile ACOs





# The benefits of Annual Wellness Visits

AWV Quintile	% of Benes with AWV	HDAI Savings Rate	RAF Capture Index	Adverse event composite
1	23.3%	0.8%	0.2%	-0.3%
2	47.7%	1.5%	0.4%	-0.3%
3	55.5%	1.4%	1.0%	-1.5%
4	65.3%	2.9%	1.8%	-3.4%
5	72.0%	4.5%	2.9%	-5.1%

Adverse events include acute kidney injury, CHF exacerbation, ED visits not resulting in hospitalization, unplanned admissions, major adverse cardiac events, major adverse pulmonary events, mortality.



A teal-tinted photograph of a doctor in a white coat and stethoscope smiling at an elderly patient. The image is overlaid with a semi-transparent teal filter. On the right side, there are several large, light-colored abstract shapes, including circles and curved lines. The text 'Ranking ACOs by Cost-Effectiveness' is written in white, bold, sans-serif font across the middle-right portion of the image.

# Ranking ACOs by Cost-Effectiveness



# Top 20 most cost-effective ACOs, all segments

Rank	ACO	Rank	ACO
1	Collaborative Care Partners	11	Community Care Contracting
2	Best IPA	12	agilon health Pennsylvania ACO
3	Physician Leaders Direct Contracting Entity	13	ACO REACH South Texas
4	North East Medical Services	14	Central Virginia Coalition of Healthcare Providers
5	APA ACO	15	Primary Care Alliance
6	Hudson Heights REACH ACO.	16	UW Health ACO
7	Asian American Accountable Care Organization	17	VillageMD Georgia ACO
8	United Physicians Association	18	agilon health Mid-Atlantic ACO
9	ATLAS IPA	19	agilon health Northeast Ohio ACO
10	Family Choice ACO	20	CINQCARE ACO

\* Excluded ACOs that announced they were leaving the REACH program in 2023. Based on HDAI Cost Savings Index..



# Most cost-effective MSSP and Reach Programs

## MSSP

Rank	ACO
1	Asian American Accountable Care Organization
2	Family Choice ACO
3	Next ACO of Nature Coast
4	ACMG Health Systems
5	TP-ACO
6	Coastal Carolina Quality Care
7	HHC ACO
8	SOMOS ACO
9	Morehouse Choice ACO
10	Richmond Quality

## Reach

Rank	ACO
1	Collaborative Care Partners
2	Best IPA
3	Physician Leaders Direct Contracting Entity
4	North East Medical Services
5	APA ACO
6	Hudson Heights REACH ACO
7	United Physicians Association
8	ATLAS IPA
9	Community Care Contracting
10	agilon health Pennsylvania ACO

Cost effectiveness based on 2023 HDAI Cost Savings Index.



# Most cost-effective ACOs by health system affiliation

## With Health System Affiliations

Rank	ACO
1	Collaborative Care Partner
2	Best IPA
3	North East Medical Services
4	ACO REACH South Texas
5	UW Health ACO
6	AdventHealth Senior Care, Inc
7	Richmond Quality
8	Optimum NY Independent Practice Association
9	Catholic Medical Partners-Accountable Care IPA
10	Community Care Collaborative of Pennsylvania and New Jersey

## Without Health System Affiliations

Rank	ACO
1	Physician Leaders Direct Contracting Entity
2	APA ACO
3	Hudson Heights REACH ACO
4	Asian American Accountable Care Organization
5	United Physicians Association, Inc
6	ATLAS IPA
7	Family Choice ACO
8	Community Care Contracting
9	agilon health Pennsylvania ACO
10	Central Virginia Coalition of Healthcare Providers



# Most cost-effective ACOs for managing Advanced Illness and Complex Care segments

## Advanced Illness

Rank	ACO
1	Collaborative Care Partners
2	Community Health Provider Alliance
3	Richmond Quality
4	Loudoun Medical Group ACO
5	OptumCare ACO West
6	ATLAS IPA
7	Desert Mountain ACO
8	TXCIN ACO
9	PQN - Central Texas
10	The Premier HealthCare Network

## Complex Care

Rank	ACO
1	Collaborative Care Partners
2	Best IPA
3	United Physicians Association
4	Hudson Heights REACH ACO
5	Physician Leaders Direct Contracting Entity
6	Central Virginia Coalition of Healthcare Providers
7	Best Value Transportation, , d/b/a MAX Healthcare #2
8	VillageMD Michigan ACO
9	Next ACO of Nature Coast
10	VillageMD Georgia

Cost effectiveness based on 2023 HDAI Cost Savings Index..



# Top Academic and non-Academic Systems

## AMC-affiliated

Rank	ACO
1	UW Health ACO
2	BMC Integrated Care Services,
3	University Hospitals Coordinated Care Organization
4	Connected Care of West Tennessee,
5	Memorial Hermann ACO
6	UT Health San Antonio Regional Physician Network
7	Lifespan Health Alliance,
8	Stony Brook ACO .
9	Duke Connected Care
10	BJC HealthCare ACO

## Not AMC-affiliated

Rank	ACO
1	Collaborative Care Partners
2	Best IPA
3	North East Medical Services
4	ACO REACH South Texas,
5	AdventHealth Senior Care, Inc
6	Richmond Quality
7	Optimum NY IPA
8	Catholic Medical Partners
9	Community Care Collaborative of Pennsylvania and New Jersey
10	Freedom Healthcare Alliance



# Most cost-effective ACOs partnering with enablement companies

## Enablement company-affiliated ACOs

Rank	ACO
1	Best IPA (SOMOS Innovation)
2	Physician Leaders Direct Contracting Entity (Vytalize)
3	APA ACO (ApolloMed)
4	agilon health Pennsylvania ACO (Genuine Health)
5	agilon health Mid-Atlantic ACO
6	agilon health Northeast Ohio ACO
7	ACMG Health Systems,
8	Ilumed
9	agilon health Northeastern ACO
10	NC TN MSSP CHC (Aledade)

Cost effectiveness based on 2023 HDAI Cost Savings Index..



## Lower cost ACOs also have fewer adverse events

Measure	Bottom 20%	Average ACO	Top 20%
HDAI Savings Rate	(1.8%)	2.6%	10.9%
Adverse Event Rate (relative to expected)	0.3%	-1.5%	-5.7%

The most cost-effective ACO quintile has a lower adverse event rate.

Adverse events include acute kidney injury, CHF exacerbation, ED visits not resulting in hospitalization, unplanned admissions, major adverse cardiac events, major adverse pulmonary events, mortality.





# Our offer to you: Complimentary Benchmarking Report



## Cost by component

- Overall
- Inpatient
- Outpatient
- Drugs
- Part B
- Home health
- Hospice
- DME

## RAF scores

## Cost by segment

- Low risk
- Rising risk
- Chronic care
- Advanced Illness
- Hospice

## Quality

- Adverse Event Composite
- CHF exacerbation
- ED Visits
- Mace
- Mortality

## Utilization

- Annual wellness visits
- Primary care visits
- Specialist visits
- Inpatient admits
- Lab
- Imaging

## Benchmark Metrics

- Actual : expected

## Ranking

- Overall
- By segment



**Questions?**

# Stop by our VBCExhibitHall.com Virtual Booth





# Thank you

Contact us for a review of your 2023 performance

Josh Gray, VP Analytic Services, [josh.gray@hda-institute.com](mailto:josh.gray@hda-institute.com)

Carola Endicott, VP Customer Engagement and Marketing, [carola.endicott@hda-institute.com](mailto:carola.endicott@hda-institute.com)

[www.hda-institute.com](http://www.hda-institute.com)