MORRIS HOSPITAL & HEALTHCARE CENTERS

**Morris Hospital and Healthcare Centers (MHHC)** has become an Accountable Care Organization (ACO) starting January 1, 2015. Below is a Q&A to learn more about ACOs:

***Q: Why is Morris Hospital becoming an Accountable Care Organization (ACO)?***
**A:** Being part of an ACO is a way for Morris Hospital & Healthcare Centers to participate in the new Medicare payment system, while achieving better quality care, reducing the growth of healthcare costs, and improving community health.

***Q: What are the goals of an ACO?***
**A:** Essentially, the goals are to help patients manage chronic disease so they have improved outcomes, and to reduce unnecessary or inappropriate healthcare spending. This is achieved through better communication between providers and new care coordination services for patients. For example, through care coordination, patients whose illnesses can be treated on an outpatient basis are less likely to visit the E.R. or be admitted to the hospital. Providers are also less likely to duplicate tests and procedures, even when patients receive care from another healthcare system.

***Q: Why are ACOs necessary?***
**A:** A mere five percent of patients in the United States account for 50 percent of healthcare spending, and healthcare costs are rising exponentially each year[1]. Most of the cost is attributed to chronic diseases. The ACO model helps patients to bring their chronic diseases under control, and will result in reduced growth of healthcare costs.

***Q: Who benefits from an ACO?***
**A:** Fee-for-Service (Original) Medicare recipients are the primary beneficiaries of an ACO, because care coordination services for these patients will provide an improved quality of life and functional status. Providers benefit by having access to a Nurse Care Coordinator to assist patients that are living with an illness.

***Q: What is shared savings all about?***
**A:** CMS's goal is to encourage improved care coordination between providers and reduce the growth in healthcare costs. Therefore, if the providers who are participating in the ACO are successful at reducing the cost per Medicare beneficiary, Medicare shares up to 50% of the realized savings with the providers. This is a "shared savings" bonus payment. There is no penalty for not being successful.

***Q: What is the role of the ACO Nurse Care Coordinator?***
**A:** The Nurse Care Coordinator will be working closely with physicians and staff to coordinate the care of Medicare patients in the outpatient setting, especially those who are "high risk" for re-admission; that is, with two or more chronic conditions. The concept of this role is built on evidence-based practice and partnering with the patient and family to promote patient self-management. This is done by educating

[1] www.nihcm.org

and coaching high-risk patients, facilitating communication between providers, developing care plans, and connecting patients with needed resources.

***Q: Who are the Nurse Care Coordinators?***
**A:** Jennifer can be reached at (815) 705-7491 and her email address is jwallenberg@morrishospital.org.

***Q: What is MHHC's strategy for reducing costs?***
**A:** Care coordination is the heart and soul of the ACO and has been shown to reduce costs by 20 percent in similar settings[2]. The number one most important success factor is developing relationships with patients and having frequent visits to help patients stay healthy. The ACO model is built on evidence-based practices, coaching strategies, patient self-management, family role, and use of community resources. Our initial priority will be coordinating care for Fee-for-Service Medicare patients with multiple hospitalizations, excessive emergency visits, chronic illness, primary care physician missed appointments, and transfers to tertiary care facilities. Our goal is to reduce inappropriate ED visits and increase visits to primary care by building ongoing relationships with patients, creating a plan of care in partnership with the provider, coaching, helping patients execute the plan of care, and helping patients understand the plan of care.

***Q: In an ACO model, do providers still direct the patient's plan of care?***
**A:** Yes, providers continue to direct the patient's medical plan of care. The Care Coordinator helps the patient execute the plan of care, helps facilitate the patient's understanding though teaching tools and frequent interaction, and provides suggestions for refinement of their plan of care based on the patient's feedback and results.

***Q: Which physicians, Nurse Practitioners (NPs), or Physician Assistances (PAs) are part of the ACO?***
**A:** All physicians, NPs, and PAs that are employed by MHHC.

***Q: Can patients opt out of the ACO?***
**A:** Actually, patients do not participate in the ACO; it is the *providers* who have chosen to participate. Patients can opt out of sharing their claims data records with the ACO. All benefits remain the same – patients can continue to see any provider that accepts Medicare any time, anywhere.

***Q: How do we know ACOs work?***
**A: In** 2012, the first ACOs accepted to participate in the Medicare Shared Savings Program. So far, the United States has experienced a 10 percent reduction in cost per Medicare beneficiary. The projected long-term savings are $1.23 trillion.

***Q: Where can I go to get more information about ACOs?***
**A:** For general questions or additional information about Accountable Care Organization, please visit www.medicare.gov/acos.html or call 1-800-MEDICARE (1-800-633-4227) TTY users should call 1-877-486-2048.

[2] http://www.qualityforum.org