

# Green Mountain Care Board

Medicare-only Budget Review - FY2024  
Medicare Shared Savings Program

# Agenda

1. Medicare SSP ACO Overview
2. Lore Health ACO
  - Lore Health ACO has one Medicare SSP ACO Participant in Vermont
  - 2023 Medicare SSP ACO Experience and Timeline
  - 2024 Medicare SSP ACO Participation
3. FY2024 Medicare-only GMCB Budget Submission

# Medicare SSP ACO Overview

- The Affordable Care Act (ACA) established the Medicare SSP to promote accountability for a patient population, coordinate items and services under Medicare parts A and B, and encourage investment in infrastructure and redesigned care processes for high quality and efficient services.
- 42 C.F.R. Part 425 establishes the regulatory requirements for all SSP ACOs.
- SSP ACOs must comply with all applicable laws, including Federal criminal law; False Claims Act (31 U.S.C. § 3729 et seq.); anti-kickback statute (42 U.S.C. § 1320a–7b(b)); civil monetary penalties law (42 U.S.C. § 1320a–7a); and physician self-referral law (42 U.S.C. § 1395nn).
- In 2022, Medicare SSP ACOs delivered \$1.8B in savings for federal tax payers and the Medicare trust funds.

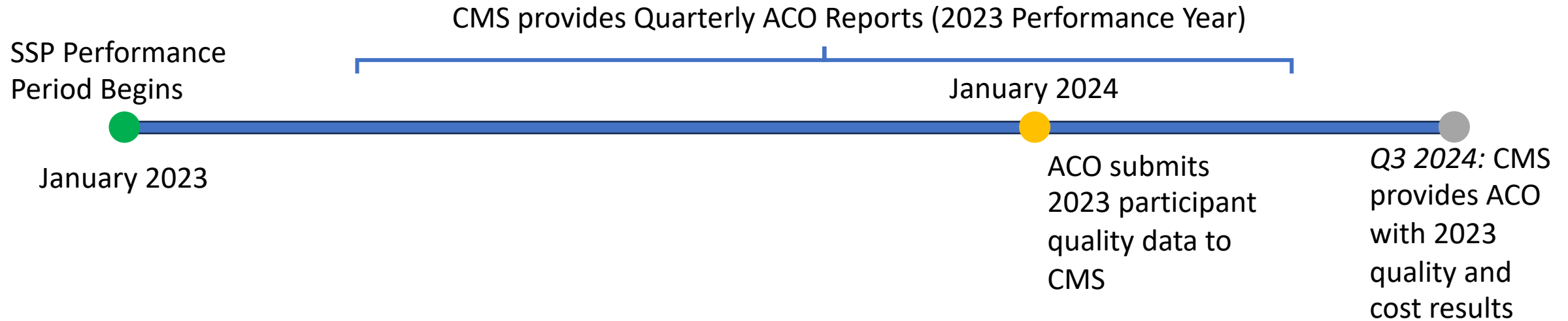
# Medicare SSP ACO Overview (con't)

- The Centers for Medicare & Medicaid Services (CMS) manages an annual Medicare SSP application cycle for Medicare SSP ACOs, reviewing and ultimately approving those that comply with federal regulatory requirements.
- CMS approved Lore Health ACO LLC's Medicare SSP ACO application for the ENHANCED track beginning in 2023 for a 5-year agreement period.
  - CMS requires Medicare ACOs to establish shared governance by Medicare ACO participants, with Medicare ACO participants controlling at least 75% of the governing body.
  - In two-sided risk tracks for the Medicare SSP ACO program (*e.g.*, ENHANCED track), Medicare SSP ACOs are required by regulation to establish a repayment mechanism in advance of a Medicare SSP ACO participation agreement, in an amount and form determined by CMS.
- Lore Health ACO has satisfied all federal requirements to participate as a Medicare SSP ACO.

# Lore Health ACO has one ACO Participant in Vermont

- ~3800 Medicare fee-for-service-attributed beneficiaries.
- Two Vermont providers serve on the ACO's governing body.
  - Members of the governing body have a fiduciary duty to the ACO, including responsibility for the oversight and strategic direction of the ACO and holding ACO management accountable for the ACO's activities.
- The Vermont ACO participant has providers that are Boarded Diplomates of Lifestyle Medicine. To promote lifestyle medicine, they utilize:
  - (i) a consultative model, including shared medical appointments and classes; and
  - (ii) a distributive model, where other providers are trained on core pillars and best practices to implement broadly.

# 2023 Medicare SSP ACO Experience and Timeline



# 2024 Medicare SSP ACO Participation

**Shared governance (42 C.F.R. § 425.106):** ACO Participants (75%);  
Medicare Beneficiaries/Consumer Advocates/ACO: (25%)

**Assignment of Beneficiaries (§ 425.400):** Preliminary Prospective with  
Retrospective Reconciliation (*Quarterly*)

**Waivers of payment rules or other Medicare requirements (§ 425.612):**  
Skilled Nursing Facility (SNF) 3-Day Rule (*application stage*)

**Selection of Risk Model (§ 425.600):** ENHANCED

**Calculation of shared savings and losses under the ENHANCED track;**

**Minimum savings or loss rate (§ 425.610(b)):** 0.5%

# FY2024 Medicare-only GMCB Budget Submission

Budget and Financial Model (Vermont Only)	FY24 Budget Projection
Traditional Medicare Beneficiaries	3,800
Member Months	44,080
Annual Beneficiary Utilization and Expenditures	\$9,941
<b>Vermont Provider/Supplier Medicare Benchmark</b>	<b>\$36,516,607</b>
Vermont-specific Medicare SSP ACO Shared Savings/Shared Losses (%)	<b>TBD</b>
Vermont-specific Medicare SSP ACO Shared Savings/Shared Losses (\$)	If Shared Savings: Shared Savings % x Medicare Benchmark x Quality Performance Score x CMS Share
	If Shared Losses: Shared Losses % x Medicare Benchmark x Quality Performance Score x CMS Share