

Medicare accountable care organization (ACO) update

ISSUE: Accountable care organizations (ACOs) have been expanding rapidly in the Medicare program. Staff will provide Commissioners with information on the number and location of the new ACOs and some observations on the strategies they are expected to use to achieve cost savings and quality performance.

KEY POINTS: There are now about 250 ACOs in Medicare serving four million beneficiaries. The pattern of where they are locating is related to markets served by Medicare Advantage plans, but with some notable differences.

ACTION: Commissioners may want to discuss issues regarding ACOs that they would like staff to develop for their future consideration.

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