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ACCCBuzz

What's an ACO and Why You Need to Know

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Coming in 2012: Under healthcare reform, accountable care organizations (ACOs) will manage and coordinate care across settings. At ACCC's upcoming 27th National Oncology Economics Conference in St. Louis (Sept. 29 – Oct. 2, 2010), I'll explore the topic and provide insight into how cancer programs and physicians can prepare now for the coming changes.

The payment impact of ACOs will be significant.

On Jan. 1, 2012, the federal government begins shared-savings Medicare programs with ACOs, ventures between local health care organizations and related providers that can be held accountable for the cost and quality of care delivered to a population.

An accountable care organization is an organization that can provide primary care and basic medical/surgical inpatient care for a patient population and that is willing and able to take responsibility for overall costs and quality of care for a population. Hospitals and physicians will be allowed to be organized as ACOs and will be eligible for a piece of the shared savings they achieve for Medicare if they meet quality thresholds.

The concept is to improve value and control costs by aligning provider incentives toward integration, quality, and efficiency. Coordinating patient care across settings and using lower cost/equally effective regimens will be rewarded.

Cancer centers may be participants in ACOs. As such, cancer programs must be prepared to demonstrate value: high quality cancer care delivered at the same or better cost. Cancer programs must be able to coordinate care across multiple settings and track costs.

Who will succeed best in the new environment?

- Those cancer centers that can work with inpatient facilities, surgeons, med oncologists, and staff
- Those that have the best IT infrastructure and ability to coordinate care will succeed best in the new environment.
- Those that can demonstrate value based on real-time reporting.

And those not afraid of change.

Want to learn more about ACOs? [Check out the reading list from the Health Affairs magazine blog.](#)

And hear my presentation in St. Louis at [ACCC's 27th National Oncology Economics Conference.](#)

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