

# PROJECT SPOTLIGHT

## Learning from Safety-Net ACOs



### THE ISSUE

Accountable care organizations (ACOs) represent an important innovation in healthcare delivery and payment reform given their explicit goals to improve patient care and health outcomes while controlling costs. Medicare, commercial payers, and large employers are supporting ACOs, but ACO development in Medicaid involving safety-net hospitals and community-based providers has been limited. Vulnerable populations may benefit significantly from patient-centered medical homes and other care coordination services provided through ACOs. Despite system-level and patient-level challenges, some safety-net ACOs are emerging.

### THE PROJECT

From 2013 to 2015, JSI, together with Bailit Health Purchasing, LLC, conducted case studies of four early leaders adapting the ACO model for Medicaid populations under a Robert Wood Johnson Foundation grant. The project goals were to:

- Understand the dynamic processes by which safety-net ACOs are being developed
- Identify key barriers and facilitators to ACO implementation
- Describe adaptations made to the ACO concept to provide care to underserved populations
- Generate insights for providers, policymakers, and state Medicaid officials interested in improving care and outcomes for the expanding Medicaid population

JSI conducted detailed document review and 55 key-informant interviews over eight site visits with organizations in Minnesota, California, and Massachusetts.



### THE RESULTS

JSI has presented at three national meetings and documented key findings in the following publications and white papers:

- Health Affairs blog: *Early Observations Show Safety-Net ACOs Hold Promise to Achieve the Triple Aim and Promote Health Equity* (September 2014)
- *The ACO Conundrum: Safety-Net Hospitals in the Era of Accountable Care* (March 2015)
- *Health Centers in the Era of Accountable Care: Insights from AltaMed Health Services* (July 2015)
- Health Affairs blog: *Community Health Center Strategies for Pursuing Accountable Care* (September 2015)

As outlined in these publications, safety-net ACOs are a distinct innovation compared to their Medicare and commercial counterparts. In response to the complex needs of their patients, safety-net ACOs are developing partnerships with entities such as the justice system, mental health and substance use disorder providers, and housing providers. Key delivery system transformations include pursuing health homes, high-cost case management, and integrated behavioral health. Emerging safety-net ACOs are adopting payment and delivery system transformations incrementally and are frequently dependent on state policy to advance payment reform. Common challenges include obtaining the financial flexibility and upfront capital to invest in delivery system, IT infrastructure, and the workforce changes necessary for operating and succeeding as an ACO.

For more information, contact Rachel Tobey at [rachel\\_tobey@jsi.com](mailto:rachel_tobey@jsi.com) or Jim Maxwell at [jim\\_maxwell@jsi.com](mailto:jim_maxwell@jsi.com)

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