



In the Literature

Highlights from Commonwealth Fund-Supported Studies in Professional Journals

Attributing Patients to Accountable Care Organizations: Performance Year Approach Aligns Stakeholders' Interests

March 4, 2013

Authors: Valerie A. Lewis, Ph.D., Asha Belle McClurg, Jeremy Smith, M.P.H., Elliott S. Fisher, M.D., M.P.H., and Julie P. W. Bynum, M.D., M.P.H.

Journal: *Health Affairs*, March 2013 32(3):587–95

Contact: Valerie A. Lewis, Ph.D., Assistant Professor, Dartmouth Institute for Health Policy and Clinical Practice, valerie.lewis@gmail.com, or Mary Mahon, Assistant Vice President, Public Information, The Commonwealth Fund, mm@cmwf.org

Access to full article: <http://content.healthaffairs.org/content/32/3/587.abstract>

Synopsis

Researchers simulated the effects of the two methods proposed for assigning patients to an accountable care organization: prospective attribution and retrospective, or performance-year, attribution. Their analysis suggests that performance-year attribution offers advantages to health care providers.

“Performance-year attribution, compared to prospective attribution, ensures a larger overlap of the assigned patient population and the set of patients visiting an accountable care organization during a performance year.”

The Issue

Both public and private health care purchasers are contracting with accountable care organizations (ACOs) in an effort to improve health care delivery and control costs. In these emerging ACOs, groups of physicians, hospitals, and other health care providers agree to be held accountable for the total costs and quality of care for a designated patient population. However, there is little empirical evidence indicating the best timing and approach for assigning, or attributing, to ACOs their patient population—the group by which their performance in controlling costs and delivering quality care will be judged. In a Commonwealth Fund-supported study, Dartmouth researchers evaluated the effects of the two main methods for assigning patients to ACOs: prospective attribution, or assigning patients based on their use of services in the previous year; and retrospective, or performance-year, attribution, in which patients are assigned at the end of the year, based on their use of services during the actual performance year.

Key Findings

- Under prospective attribution, 17 percent of patients did not receive care from providers at their assigned ACO during the performance year, and 31 percent did not receive care from primary care physicians at their ACO. In contrast, performance-year attribution meant that 100 percent of patients received care at their ACO, and 81 percent saw a primary care physician at their ACO.

- On average, only 45 percent of patients visiting ACOs under prospective attribution had been attributed to that ACO—meaning that more than half (55%) of patients visiting the ACO were not attributed to it (and thus would not be counted in its performance review). By contrast, 57 percent of patients visiting ACOs were attributed to the organizations under performance-year attribution.
- Under prospective attribution, a lower proportion of visits were made to ACO providers than under performance-year attribution (68% vs. 74%).

Addressing the Problem

The results suggest that performance-year attribution confers advantages to providers: it ensures providers are not held responsible for patients who do not seek care at their ACO; it means a larger share of an ACO's patients are attributed to it; and it results in a somewhat larger share of assigned patients' visits taking place with ACO providers. Because performance-year attribution more fully and accurately reflects an ACO's patient population, the greater concentration of costs for attributed patients that results "better positions ACOs to achieve shared savings," the authors say.

About the Study

Researchers used Medicare claims data from 2008 and 2009 to create 1,642 simulated ACOs, each with at least 5,000 beneficiaries. They then compared the effects of prospective attribution to the ACOs with performance-year attribution in terms of several outcomes: alignment of the assigned patients with patients who actually received care during the performance year; the extent to which patient care was concentrated within a given ACO network; and whether ACOs could realistically identify their assigned patient populations.

The Bottom Line

Compared with prospective attribution, performance-year attribution results in a greater concordance between an ACO's assigned patients and the patients actually visiting its health care providers during a given year. This may enhance ACOs' ability to share in the patient cost-savings they generate.

Citation

V. A. Lewis, A. B. McClurg, J. Smith et al., "Attributing Patients to Accountable Care Organizations: Performance Year Approach Aligns Stakeholders' Interests," *Health Affairs*, March 2013 32(3):587–95.

This summary was prepared by Martha Hostetter.