

Status report on Medicare Accountable Care Organizations

ISSUE: This paper briefly reviews the status of the Medicare accountable care organization (ACO) programs in 2016, the performance of the Medicare ACO programs in 2015, and some considerations regarding the challenges of incorporating the Medicare Part D prescription drug program into Medicare ACOs.

KEY POINTS: We show the performance of the ACOs in 2015 in terms of their reported savings. We then discuss what variables best explain the reported savings of the ACOs in the Medicare Shared Savings Program.

ACTION: Commissioners should be prepared to discuss findings.

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