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**Integrated Healthcare Association Recommends Phasing In  
Accountable Care Organization Performance Measures Included in  
CMS Shared Savings Program**

**OAKLAND, Calif., June 6, 2011** – The [Integrated Healthcare Association](http://www.IHA.org) (IHA) is recommending that the number of proposed performance measures for Accountable Care Organizations (ACOs) be cut in half during the first year of the Medicare Shared Savings Program, created as part of national health reform, and scheduled to start on January 1, 2012.

In a letter to Centers for Medicare & Medicaid Services (CMS) Administrator Don Berwick, MD, IHA writes that it strongly supports CMS efforts to promote value in health care through ACOs, but that the full set of 65 proposed measures would be too burdensome for newly formed ACOs. Instead, IHA recommends a first-year set of just 32 of those measures, consisting of ones that are already in use in existing performance measurement initiatives. IHA states that additional performance measures could be phased in and advises dropping six of the measures. The full letter to CMS on the Medicare Shared Savings Program can be found at [www.IHA.org](http://www.IHA.org).

IHA made two other recommendations to Berwick:

- While applauding CMS' reliance on performance data that is self-reported by providers (in addition to Medicare generated claims data), IHA recommends that CMS provide more specifics on when an ACO's performance data will be audited, and ensure that the process will not be an administrative burden on providers. IHA also suggests that CMS use existing auditing sources already experienced in similar work.

- IHA recommends that ACOs be rewarded not only for attaining high performance scores, but also for their rate of improvement. Currently, the Shared Savings Program will enable ACOs with the highest levels of performance to earn even greater percentages of shared savings. However, some ACOs, particularly those serving disadvantaged communities, may start at a much lower performance baseline than those with more resources and experience, and will have to invest more resources to improve performance. An incentive system that takes into account both attainment and improvement would be more equitable according to IHA.

IHA's performance measurement and reporting recommendations for the Shared Savings Program are based on its unique experience over the past ten years in developing and administering California's Pay for Performance (P4P) program that involves multiple health plans and 200 physician groups, representing 35,000 doctors and 10 million patients.

#### **About the Integrated Healthcare Association**

The Integrated Healthcare Association (IHA) is a not-for-profit multi-stakeholder leadership group that promotes quality improvement, accountability and affordability of health care in California. IHA administers regional and statewide programs, serves as an incubator for pilot programs and projects, and actively convenes all healthcare parties for cross sector collaboration on health care topics. For more information on IHA, please visit: [www.IHA.org](http://www.IHA.org).

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