

Case Study: Risk or Reward?

Radiology and the pioneer ACO — why radiologists should be at the forefront of their accountable care organization

By Amena Hassan

Key Takeaways:

- Accountable care organizations (ACOs) are networks comprised of physicians, hospitals, and health care providers that coordinate patient care to maximize savings and cut costs for both the patient and provider.
- The pioneer ACO is a higher risk, higher potential reward precursor to subsequent ACO models.
- Montefiore Medical Center achieved significant shared savings through the pioneer ACO program.



Thomas Jefferson once famously stated, “With great risk comes great reward.” With the recent advent of pioneer accountable care organizations (ACOs) this quote could ring true, as the balance of reward and risk shifts for providers. The pioneer ACO is a higher risk, higher potential reward precursor to subsequent ACO models, which are comprised of physicians, hospitals, and other health care providers who coordinate patient care to maximize savings and cut costs for the patient, provider, and health care system. The CMS program was tailored for provider groups that already had experience coordinating patient care across clinical settings and allowed them to move from a shared savings payment model to a population health-based payment model.

Last year, 32 pioneer ACOs set their sights on implementing this newer payment model to 1) improve the patient experience of care, 2) improve health of populations, and 3) reduce the per capita cost of health care under the “triple aim” framework developed by the Institute for Healthcare Improvement (<http://bit.ly/TripleAim>). In a paper recently published in the *JACR*®, lead authors David A. Rosman, MD, MBA, and Joaquim M. Farinhas, MD, analyze the results achieved by the pioneer ACOs after the first year of operations from the radiologist’s perspective (<http://bit.ly/PioneerACOs>).

Thirteen of those pioneer ACOs achieved a total shared savings of \$76 million. Among them was Montefiore Medical Center in the Bronx, New York. The savings for Montefiore totaled \$14 million — the most of any of the pioneer ACOs. Of these savings, the amount set aside for radiology had not been determined

during set up and it became evident that it was vital for radiology to become an active participant in Montefiore’s evolving ACO landscape. Here’s why.

The Triple Aim Approach

Farinhas, who is a neuroradiologist at Montefiore, explains that he and his colleagues had been consistently providing cost conscious, high-quality care for their patients even before the transition to the pioneer ACO model. “You can’t work at Montefiore without encountering some interaction pertaining to the triple aim approach,” he says. “Depending on the scenario I’m always going to save the hospital and patient money. We remind our referring physicians to keep in mind that the ACR Appropriateness Criteria® provide a tool for ordering the right tests for the specific clinical question, and we will continue, as a department, to keep cost as lean as possible for the enterprise.”

The hospital had been laying the groundwork for becoming a leader in calculated cost curbing since the 1990s, according to Farinhas. This explains why Montefiore’s pioneer ACO savings were noteworthy for the hospital. “Our hospital had been gaining experience with its own care management organization for a while, which is, in effect, its own insurer,” he notes. “They have a solid track record caring for a large population.”

Looking Forward

But how can radiology be a part of further savings in the future? “One of the biggest components that will help, as far as cost savings, is computer-assisted

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order entry that will integrate decision support through the electronic health record,” Farinhas says. “This will guide clinicians in ordering the right test for the right patient at the right time — meaning the most appropriate examination and not necessarily the most expensive examination.”

Because the hospital had already been on the pioneer ACO path before ACOs had even been defined, it provided a fertile environment for radiology to step forward and become further involved in the ACO at an early stage. As the pioneer ACO model was implemented, radiologists took active steps to be part of the operation, though they were not initially a part of the committees.

“It was an active effort on the part of our department to request a place at the table,” Farinhas points out. After this initial step, they wanted to remain open to possibilities, even if that included a potential loss. “The upside risk would be being a part of a successful ACO that does well and achieves savings,” he states. “The downside would be being part of an ACO where the savings don’t come along, and there might be some losses.” Either way, observes Farinhas, simply being open to this risk is an important milestone for radiologists, as they strive to become an integral part of the ACO decision-making process.

The Importance of Staying Involved

The pioneer ACO is a changing entity that will continue to adapt itself to best serve the providers and the patients it covers. Farinhas emphasizes that to become an intrinsic part of an ACO, radiologists need to remain visible and involved in ACO-related discussions, so their imaging department can benefit from future payments and savings, risks and rewards. When radiologists are armed with knowledge, such as the resources provided by the ACR’s *Imaging 3.0*™ initiative, they can begin

asserting a more proactive presence for themselves and their team members as they become a more integral part of an ACO.

“The first thing that a radiologist needs to do is be a part of the dialogue,” Farinhas asserts. “If radiologists do not make active efforts to find these discussions, they run the risk of becoming marginalized.” He adds that, although some of this advice may seem self evident and participating in an ACO involves a time commitment, not being a part of this exchange could inevitably lead to radiology being overlooked during ACO discussions at the leadership level. “You can’t really be part of the conversation if you’re not there,” he adds. “We’re trying to help radiologists navigate through the changes that are happening — at least the changes we can predict for now.”

NEXT STEPS

- Stay up to date on how ACOs are being defined for radiology, how they are changing, and the newest revisions. A key resource for this data is the ACR website at <http://bit.ly/ACRACOs>.
- To become an integral part of a pioneer ACO, radiologists need to remain visible and involved in ACO-related discussions, so their imaging department can benefit from future payments and savings.
- If radiologists are not currently part of a large network, they should make it a priority to connect with other individuals and institutions to learn more about the ACO process. Contact Pam Kassing at pkassing@acr.org to learn about networking opportunities.

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