

ACOs serving high proportions of minority patients lag in quality performance

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New research by The Dartmouth Institute finds that Accountable Care Organizations (ACOs) serving a high proportion of minority patients performed significantly worse on many quality-of-care measures than other ACOs. While previous research has shown ACOs have improved quality of care during the first three years of performance, little was known about the impact ACOs and similar payment reforms are having on existing racial and ethnic health disparities.

The study, led by The Dartmouth Institute assistant professor Valerie Lewis, PhD, and recently published in *Health Affairs*, used data from Medicare and from The Dartmouth Institute's Survey of Accountable Care Organizations to compare the performance of ACOs in Medicare's Shared Savings Program.

Key findings of The Commonwealth Fund supported study include:

- On average, 18% of patients in ACOs were members of minority groups (10.2% black, 2.6% Hispanic, 2.4% Asian, .02% Native American, and 2.4% of another race).
- Compared with patients in other ACOs, patients in ACOs with a high proportion of minority patients tended to be younger than 65, dually eligible for Medicare and Medicaid, disabled, female, and to have end-stage renal disease.
- Having a higher proportion of minority patients was associated with worse performance on 25 of 36 measures (adjusted). Providers with a high proportion of minority patients had lower overall quality composite scores, compared to other providers. (The measure is used by CMS to determine the share of generated savings that an ACO will receive.)
- ACOs with a high proportion of minority patients did not typically "catch up" over time. The association between proportion

of minority patients and quality performance was consistent between the first and second years of the ACO programs.

 There were no significant differences between ACOs with higher proportions of minority patients and others in terms of provider composition and capabilities. ACOs with higher proportions of <u>minority</u> <u>patients</u> were significantly less likely than other ACOs to offer the following services: routine specialty care, outpatient rehabilitation, pediatric care, and palliative and hospice care.

To address the performance gap and encourage participation in the Medicare Shared Savings Program, the researchers suggest three possible remedies: additional risk adjustment in performance assessment, taking into account socio-economic characteristics of patients; re-examining financial incentives to reward relative improvement rather than overall performance; additional supports or resources that would help ACOs that serve a high proportion of at-risk or disadvantaged patients improve their quality <u>performance</u>.

More information: Valerie A. Lewis et al, ACOs Serving High Proportions Of Racial And Ethnic Minorities Lag In Quality Performance, *Health Affairs* (2017). DOI: 10.1377/hlthaff.2016.0626

Provided by Dartmouth Medical School



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