



ARIZONA CARE NETWORK IMPROVES OUTCOMES, GENERATES HEALTHCARE SAVINGS DURING FIRST YEAR IN NEXT GENERATION ACCOUNTABLE CARE ORGANIZATION MEDICARE MODEL

PHOENIX (December 21, 2018) – Arizona Care Network (ACN) successfully completed its first year in Medicare’s Next Generation Accountable Care Organization (ACO) Model, saving the federal government more than \$756,000 in 2017 by focusing on quality and care coordination initiatives that reduced the cost of care for nearly 23,000 Medicare beneficiaries residing in greater Phoenix.

“As a first-year participant in the Next Generation ACO Model, our focus was to lay the foundation to successfully manage the health of the Medicare beneficiaries served by our healthcare providers,” said Dr. David Hanekom, CEO of ACN.

Accountable care organizations bring carefully selected doctors and healthcare organizations together to place patients at the center of the healthcare delivery system. They share clinical information, improve care coordination, and assist patients in getting the services they need to better manage their health. These activities are intended to deliver better outcomes for patients while reducing the overall cost of care.

The Centers for Medicare & Medicaid Services (CMS) launched the Next Generation ACO Model in 2016 where participating providers take on a high level of performance risk for an opportunity to earn higher financial rewards for achieving clinical outcomes, coordinating patient care within the network, improving patient satisfaction, and using healthcare services appropriately. Medicare beneficiaries in the care of Next Generation ACO providers also are eligible for services not available within the traditional Medicare program.

Seven ACOs withdrew from the Model during the 2018 performance year, leaving 51 participating ACOs in 2018, CMS reported. Arizona Care Network is the only Next Generation ACO in Arizona.

“Organizations that participate in the Model face substantially higher levels of risk (financial penalties) compared to other Medicare ACOs nationally if they do not meet quality metrics and save the government money,” explained Hanekom. “We are extremely pleased to have succeeded on both of those requirements and we expect that to continue as we serve approximately 35,000 Medicare beneficiaries under the Model in 2019.”

About Arizona Care Network

Arizona Care Network (ACN) is a group of 5,500 Arizona healthcare providers who work together to improve healthcare and reduce costs by actively managing care for their patients, with a special focus on people with complex or chronic illness. ACN is a partnership between Dignity Health Arizona and Abrazo Community Health Network and includes hundreds of independent providers; an affiliation with Phoenix Children's Care Network adds access to Arizona's leading pediatric health system. For more information, visit www.azcarenetwork.org.

About the Next Generation ACO Model

The Next Generation ACO is a Model where healthcare providers who share a common vision work together to improve the care provided to Medicare beneficiaries. The healthcare providers take part in a Next Generation ACO voluntarily with the goal of providing better quality care to Medicare fee-for-service patients. For more information, visit <https://innovation.cms.gov/initiatives/Next-Generation-ACO-Model/>.

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