

CAPITOL STREET

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New v28 MA Model Applies to ACO REACH 2024

Impact Differs By ACO & RTA Corridor Helpful

Relevant Companies



On August 14, 2023, CMS released an update to the ACO REACH Model for performance year 2024 ([here](#)). This update specifically notes the coordinated set of changes to protect against inappropriate risk score growth and maintaining consistency across CMS programs and CMMI models. As a reminder, the CY 2024 Medicare Advantage (MA) and Part C and Part D Payment Policies was finalized on March 31, 2023 ([here](#)).

»» Our Take & Next Up

The new v28 MA model will be phased-in for ACO Reach, with CMS providing incremental predictability into other policies, such as RTA, health equity measures and beneficiary alignment. The MA Risk Adjustment model changes for 2024 seek to address multiple OIG audits of MA plans that show diagnoses not supported in the record that resulted in overpayments. These same guidelines will now be applied to the ACO REACH Model for PY2024. Simultaneously, other new policies are helpful, such as RTA corridors create payment predictability.

»» Key Points

The revised 2024 Part C risk adjustment model, being applied in the Medicare Advantage (MA) program, will be applied to Standard and New Entrant ACOs. This means that for PY 2024, risk scores will be blended using 67% of the risk scores under the current 2020 risk adjustment model (5%) and 33% of the risk scores under the revised 2024 risk adjustment model (4.4%). The downward impact on benchmarks is expected to be 0.4%. Other related policies include ...

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