

The Future of Accountable Care: Potential Paths to Making “Alternative” Payment Models the Norm

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Key Trends in Accountable Care Adoption

- Accountable care uptake has increased in past decade
 - As of Jan 2025, more than half of people in Traditional Medicare were in accountable care relationships (like Medicare Shared Savings Program or ACO REACH)
 - For all payers, advanced accountable care participation increased to almost 30% by 2023
- Health care organizations have leveraged accountable care flexibility to redesign benefits and care, with impacts that “spill over” beyond a given model

Common Policy Issues Face Accountable Care with Unique Considerations and Trends for Different Payers

Common Challenges

- Model design (e.g., benchmark, risk adjustment, quality measurement)
- Data interoperability
- Multipayer alignment
- Engaging specialists in longitudinal models
- Integrating drugs into broader care delivery reforms
- Addressing underlying drivers of health
- Supporting health care workforce

Medicare Advantage

- Aligning accountable care with risk adjustment
- Aligning accountable care with STARs
- Benefit reform/value-based insurance design

Traditional Medicare

- Building whole-person comprehensive models for range of providers
- Aligning with MA
- Regional Direct Contracting
- Advanced primary care with aligned specialty care

Medicaid/States

- Waivers & plan amendments
- Paying for health/drivers of health
- Duals reforms
- Changes to state directed payments and managed care contracting
- Multipayer models

Commercial/Employer

- Value-based insurance design
- Price/cost and quality transparency
- Plan offering changes (e.g., short term plans)

Lessons Learned for the Future of Accountable Care Policy

Simplicity: Value-based care reforms that are more straightforward and administratively simpler across payers, supporting payments and benefit designs that enable accountability for total costs and outcomes that matter, with clear goals

Transparency: Clear available information on quality/outcomes and costs for confident decisions and valid comparisons, such as through better data exchange, AI, transparency

Explainability: Need for ability to explain impact to on-the-ground clinicians and patients in terms of improvements to care

Flexibility: Improve access for coordinated primary care, specialty care, and non-medical steps to improve health, and support tools (e.g., digital apps, AI supports) that reduce costs

Sustainability: Support for state- and regionally-led efforts that enable system-wide reforms to address community priorities; need to support continued and new participation; support rural, safety net, independent, smaller practices in accountable care

