

# Shared savings may promote care coordination entity use

January 7 2013

---



Use of shared savings could encourage individuals who are dually eligible for Medicare and Medicaid to enroll in state-designed care coordination entities, according to a perspective piece published online Jan. 2 in the *New England Journal of Medicine*.

(HealthDay)—Use of shared savings could encourage individuals who are dually eligible for Medicare and Medicaid to enroll in state-designed care coordination entities (CCEs), according to a perspective piece published online Jan. 2 in the *New England Journal of Medicine*.

Richard G. Frank, Ph.D., from Harvard Medical School in Boston, discusses the issues surrounding new federal policy initiatives that promote integration and [coordination](#) of care for dually eligible individuals. Noting that the population is more likely to have multiple [chronic conditions](#), a severe [mental disorder](#), or [functional limitations](#), and that financing of support for this population often results in high-cost, low-quality care, policymakers believe that greater coordination of care will result in savings and improved care.

According to the report, nearly all states are establishing passive-enrollment methods to foster the transition to more structured coordinated-care arrangements. The use of passive enrollment would likely produce higher rates of enrollment into CCEs, but the benefits may be less clear to beneficiaries. To promote self-determination and offer individuals a reason to engage with coordinated care, patients could be included in shared savings, whereby a share of the savings is set aside into an account to be used toward supplemental services and supports. Shared savings could also be coupled with encouraging beneficiaries to choose among options rather than defaulting into a CCE or status quo, which may result in greater enrollment than an opt-in system.

"It is important to advance program designs that have the potential to improve care and save money, but we need to do so in a way that promotes self-determination and the exercise of real options," Frank writes.

**More information:** [Full Text](#)

Copyright © 2013 [HealthDay](#). All rights reserved.

Citation: Shared savings may promote care coordination entity use (2013, January 7) retrieved 19 April 2024 from <https://medicalxpress.com/news/2013-01-entity.html>

<p>This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.</p>
--