What drives racial and ethnic gaps in Medicare's quality program?

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For the past 10 years, the Medicare system has tried to improve the quality of health care that millions of older Americans receive, while slowing the growth in costs to the federal budget, by encouraging health

care providers to join Accountable Care Organizations.

Today, ACOs coordinate the care of 11 million people, most of them with traditional Medicare coverage. The better the ACOs do, the more they're rewarded.

But the improvements haven't reached all older Americans equally. ACOs that include a higher percentage of patients who are Black, Hispanic, Native American or Asian have lagged behind those with higher percentage of white patients in providing preventive care and keeping patients out of the hospital.

Now, a new study shows that some of this inequity stems from how an ACO's patients get their primary care. Even if they see specialist physicians who belong to an ACO, older adults aren't required to see a primary care provider who belongs to the same ACO.

In the new issue of *JAMA Health Forum*, a team from the University of Michigan shows that ACOs with higher percentages of members of racial and ethnic minority groups also tended to have higher percentages of out-of-network primary care. That meant the patient's routine care was delivered by a provider with no connection to the ACO, and therefore no potential financial benefit if they hit the quality benchmarks.

The study used data from nearly 4 million Medicare participants whose providers belong to 538 ACOs in the Shared Savings Program. The percentage of patients who got their primary care outside the ACO was nearly 13% in the ACOs that had the highest percentage of participants from racial or ethnic minorities, compared with about 10% of the patients in the other ACOs.

But even when the researchers left out the ACOs that had the highest

percentage of out-of-network primary care, they still saw differences in quality of care. Older adults in ACOs with the highest percentages of minority participants were less likely to get diabetes and cholesterol checks, and those who had been hospitalized were more likely to end up back in the hospital within a month.

On the other hand, in the ACOs that had the lowest percentage of patients who got their primary care out of the ACO network, there were no differences in quality performance between ACOs with different percentages of members from minority groups.

"These findings suggest that efforts by ACOs to encourage use of in-network primary care may reduce health care disparities among racial and ethnic minority patients, which has policy implications for the Shared Savings Program that includes most ACOs," says John Hollingsworth, M.D., M.S., the U-M physician and health care researcher who led the analysis with Shivani Bakre, a former research associate at U-M.

Hollingsworth and several co-authors are members of the U-M Institute for Healthcare Policy and Innovation; Hollingsworth and his team are part of the Dow Division of Health Services Research in the Department of Urology at Michigan Medicine.

The Centers for Medicare and Medicaid Services, the federal agency that oversees Medicare and the ACO program, recently announced a new kind of ACO that will launch in 2023, called ACO REACH. It specifically focuses on health equity and bringing the benefits of the ACO model to underserved communities.

More information: Association between organizational quality and out-of-network primary care among accountable care organizations that care for high vs low proportions of patients of racial and ethnic minority

groups, *JAMA Health Forum* (2022). DOI: 10.1001/jamahealthforum.2022.0575

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