



# Accountable Care – Where are my Shared Savings? The Employers' Perspective

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# What problems are employers trying to solve?

- Health care costs are too high, and the quality of care and patient experience are inconsistent.
- Employee health problems → higher absenteeism, lower productivity
- Slow adoption of successful innovations and new models of care





#### The Trailblazers

- CalPERS
- Intel
- San Francisco Health Service System (city & county)
- Stanford University
- Boeing





## Purchaser Principles for ACOs

#### **ACOs must**

- ◆be transparent
- •be outcomes-focused
- ◆be patient-centered
- •pay providers for quality, not quantity
- address affordability and contain costs
- ◆support a competitive marketplace
- •demonstrate meaningful use of health information technology

Major purchaser, on contracting with ACOs:

"If they can't give us lower cost, better outcomes, and better quality, we don't want to waste our time; we can get the current value anywhere."





### Results and Lessons (so far . . .)

- ACOs are an attractive strategy, especially where an employer has a large concentration of employees.
- Few ACOs can deliver on cost and quality today.
- Purchasers' role is to raise the bar, clarify the performance requirements, and measure success.
- To get desired results requires intense collaboration, leadership, and perseverance.
- We must commit to a multi-year transition to global payment and provider full risk for a population.
- Ideally, we should align public and private purchaser ACO expectations.