

Payment Reform Council

Using Retrospective Attribution in Reconciliation

What do we mean when we talk about reconciling attribution?

Because bundled primary care payments are advance payments, the program will leverage prospective attribution.

Prospective attribution places a beneficiary in a defined provider population based upon utilization history (e.g. last year or two) prior to target year. It allows providers to track utilization and expenditure data in a timely manner, make needed ‘mid-course changes’, and address specific needs of the defined ACO population. It also allows for improved ability to inform patients of involvement in the ACO and encourage their engagement.

Retrospective attribution is based on whether a beneficiary met attribution criteria during target year. Retrospective attribution is accurate in that assigned beneficiaries have selected or used the PCP during the performance year.

MSSP tracks 1 and 2 use prospective attribution to assign beneficiaries during the performance year but use retrospective attribution in the final financial settlement.

	MSSP Tracks 1 and 2	MSSP Track 3	Next Gen “Alignment”
Use of prospective and retrospective assignments	Preliminary prospective assignment with final retrospective assignment for financial settlement	Prospective assignment but beneficiaries are removed quarterly and before final settlement if they do not meet criteria for attribution to the prospectively assigned ACO. They also cannot be assigned to another ACO, even if that is their source of care. Once a beneficiary is prospectively assigned to a Track 3 ACO for a benchmark or performance year they are NOT eligible for assignment to another ACO even if the patient is using that ACO.	Similar to Track 3 - prospective alignment but beneficiaries are removed quarterly and before final settlement

What would happen if we used retrospective beneficiary assignment to support bundled payments?

Although providers would receive bundled payments prospectively each month, on a quarterly and/or annual basis, the membership information supporting these payments would be updated. If a beneficiary was no longer attributed to the provider based on the new data, the bundled payments would be recovered and any services delivered would be reimbursed on a FFS basis. Beneficiaries who were not attributed to the provider prospectively but are assigned based on the new data would have FFS payments recovered and replaced by bundles.

What are the Pros and Cons of this process?

Benefits of Retrospective Reconciliation

- Ability to get “credit” for additional patients gained.
- Better reflects care delivery during the period.

Challenges of Retrospective Reconciliation

- Risk of having fewer attributed patients than expected.
- Managing beneficiary/patient churn can be an efficiency and revenue challenge for practices.
- Administrative burden for both payers and providers.

Responding to Consumer Input, Questions and Concerns

When assignment changes frequently, communicating with beneficiaries can be confusing. Dynamic rosters can be difficult for providers to manage and they may invest in less beneficiary outreach. However, there may be beneficiary benefits to ensuring the provider most engaged in their care is provided supplemental funding.