

# Tracking, Classification, and Assessment of Accountable Care Organizations: Phase II

Client: Optum Labs

## Overview

Initiatives stemming from the Patient Protection and Affordable Care Act and the Centers for Medicare & Medicaid Services spurred rapid growth in the formation of accountable care organizations (ACOs). These healthcare models seek to improve healthcare outcomes while reducing care expenditures, potentially receiving a share of the resulting savings if certain goals are met.

As part of the ongoing evolution of healthcare reform, the number of ACOs and their characteristics have changed rapidly. Insight conducted a two-phase research study for Optum Labs that tracked, classified, and assessed the characteristics of ACOs, both public and private, across the United States. The study sought to answer four primary research questions:

- Where are ACOs developing, and how have they evolved over time?
- What are the stages of development of ACO formation?
- How do market factors facilitate or impede the decision to form an ACO and its subsequent development?
- Which U.S. healthcare markets are optimal for ACO development?

In Phase II of this tracking research, Insight conducted a comprehensive analysis of the



underlying market and risk factors that may affect a healthcare organization's decision to establish an ACO. This research provided an analysis of different healthcare marketplaces and the variables that may influence them. The results will guide the development of theories regarding ACO formation in relation to market structure and risk and assist with the selection of appropriate locations for examining and refining these theories.

## Products

Inventory of ACOs and their descriptive characteristics; report, *Marketplace Research of Accountable Care Organizations: Decision Factors for ACO Formation* (2013); presentation at the 2014 Academy Health Annual Research Meeting, *Market Characteristics That Support ACO Growth*