

CareMount Medical

As Seen On

Crain's Health Pulse

July 23, 2018

Viewers Per Month: 512,000

CRAIN'S
NEW YORK BUSINESS

Health **Pulse**

CareMount enters risk-based contracts with Aetna, Empire

CareMount Medical, the large Hudson Valley medical group, said it has reached contracts with Aetna and Empire BlueCross BlueShield to take on financial risk for its Medicare Advantage patients starting next year.

Under the shared-risk contracts, CareMount must meet certain quality benchmarks and manage patients' total cost of care. If patients' spending is too high, the practice can lose money. Patients have lower out-of-pocket costs when they visit a CareMount provider. This year, CareMount can qualify for bonus payments if it controls members' costs but is not at risk of losing money.

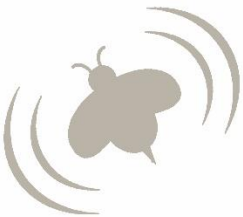
To help manage its patients, CareMount has hired care coordinators to help patients stay out of the hospital and ensure they attend medical appointments and take prescribed medications. It also has added discharge planners to help patients transition home and avoid a return trip to the hospital. In addition, data analysts help the medical group identify ways to address patients' utilization.

"There are a lot of costs involved with hiring employees and care coordination," said Dr. Scott Hayworth, president and CEO of CareMount. "Traditional Medicare doesn't give you funds to do that. We've had good carrier partnerships to subsidize some of our financial needs to provide this level of care."

CareMount has about 560 providers, treating 550,000 patients in 40 locations in Westchester, Putnam, Dutchess, Columbia and Ulster counties.

For a smaller medical practice, it could be difficult to afford the additional staffing and IT needs that are required to create this type of Medicare Advantage contract, Hayworth said.

CareMount's addition of two value-based contracts—it previously had a contract with WellCare—mirrors its activity in the Medicare Accountable Care Organization program, which involves patients who have traditional Medicare.



The practice joined the Next Generation ACO program in January, where Montefiore ACO is the only other New York participant. The model allows health care providers to qualify for higher bonus payments than are available in the Medicare Shared Savings Program, but CareMount could also end up owing Medicare money if its patients' spending is too high.

The medical group now has about 40,000 Medicare patient that are managed under risk-based contracts, including 10,000 in the Medicare Advantage deals.

Westchester enrollment in Medicare Advantage plans was about 44,000 in 2017, which represents about one-quarter of all Medicare beneficiaries in the county, according figures from the Kaiser Family Foundation.

"The market trend that we're seeing is growth in Medicare Advantage," said Peter Kelly, director of value-based programs for CareMount. —J.L.