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Physician-led Federation ACO's clinical performance saves Medicare beneficiaries an estimated \$8.4M in out-of-pocket costs

Kalamazoo, Michigan – (Sept 17, 2020) –Affirmant Health Partners' Accountable Care Organization, Federation ACO, saved Medicare beneficiaries an estimated \$8.4 million in out-of-pocket costs in 2019 by improving care coordination and reducing unnecessary care. The Centers for Medicare and Medicaid (CMS) announced on Monday, the Federation ACO saved Medicare \$69 million and will receive a net earned performance payment of \$33.5 million shared savings for its members from the Medicare Shared Savings Program (MSSP) in 2019. The Michigan-based ACO was first in the nation in earnings and is the tenth largest of 475 ACOs in the MSSP legacy track. Of the 541 ACOs that participated in the legacy track MSSP or Pathways to Success programs, the Federation ACO was the 4th highest earning ACO among the combined totals for ACOs across both programs. Savings earned will be shared with Affirmant's local clinically integrated networks and physicians affiliated with the ACO-- Bronson Healthcare, Covenant HealthCare, Henry Ford Allegiance Health, Sparrow Health System, and Spectrum Health Lakeland.

Medicare ACOs are groups of doctors, hospitals and other healthcare providers, who come together voluntarily to provide coordinated high-quality care to their Medicare patients. The goal of coordinated care is to ensure that patients, especially the chronically ill, get the right care at the right time, while avoiding unnecessary duplication of services and preventing medical errors. When an ACO exceeds quality and financial thresholds – demonstrating achievement of high-quality care and wiser spending of healthcare dollars – it is able to share in the savings generated for Medicare.

“What we have achieved over the last three years in the Federation ACO is nothing short of extraordinary,” said William J. Mayer, M.D., M.P.H., President and Chief Executive Officer of Affirmant Health Partners. “Our success can be attributed to the collaboration and hard work of our physicians and local Chapters in organizing as a health care network and putting focus, structure and processes around clinical programs that improve the health of our patients and communities. I could not be more proud of what we have accomplished together.”

The Federation ACO is owned and managed by Affirmant Health Partners—a clinically integrated network of over 5,400 physicians across Michigan's lower peninsula. In three years of program participation, the Federation ACO has saved Medicare over \$121.3 million, earned \$58.6 million in shared savings, and received quality scores over 96%. Affirmant is a physician-led organization focused on collaborating with patients, colleagues and community partners to improve the quality and cost-effectiveness of health care. Six leading health systems and their affiliated physicians make Affirmant one of the largest super clinically integrated networks in the state of Michigan. These leading health systems are: Bronson Healthcare (Kalamazoo), Covenant HealthCare (Saginaw), Henry Ford Health System (Detroit and Jackson), MidMichigan Health (Midland), Sparrow Health System (Lansing), and Spectrum Health Lakeland (St. Joseph).

A fact sheet from the National Association of ACOs (NAACOs) with more information about MSSP ACOs is available online, along with other resources at [affirmant.com](https://www.naacos.com/aco-fact-sheet-template).
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