FINANCIAL ANALYSIS REPORT

MSSP — *Financial Impact*

If you participate in the Medicare Shared Savings Program, your beneficiaries are still enrolled in original Medicare with the same rights and benefits as before.

Aligning incentives with value created for Medicare patients

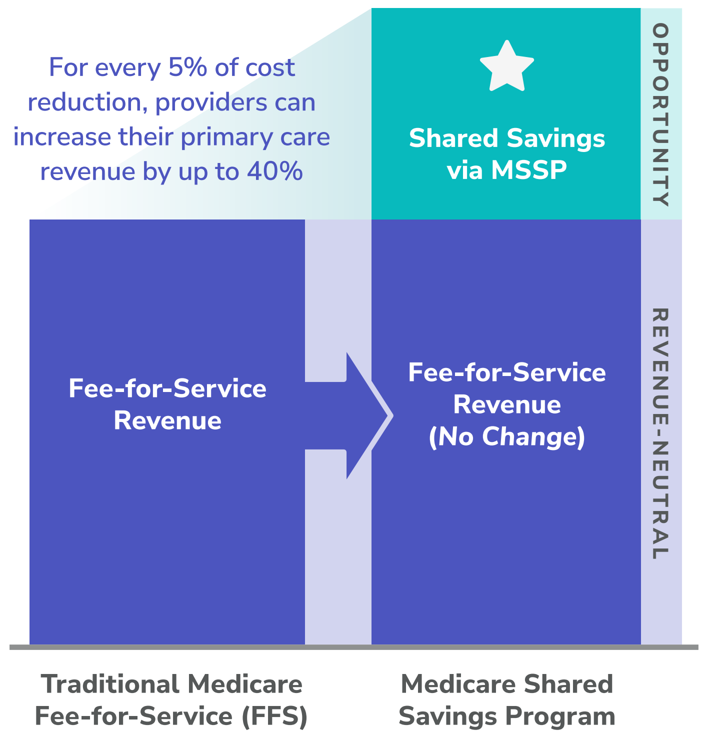
Although many primary care physicians (PCPs) invest significant amounts of time and resources into delivering high-quality care that improves patient outcomes, most are not paid for the value they create. A recent study of more than 200 PCPs found that only 1 in 5 feels fairly compensated and only 3 in 10 feel that their pay allows them to provide holistic patient care.[1]

The Medicare Shared Savings Program (MSSP) is an alternative payment model by the Centers for Medicare and Medicaid (CMS) that directly rewards PCPs for improving care coordination and quality while avoiding unnecessary healthcare costs.

MSSP offers participants the opportunity to earn shared savings, which are annual payments for savings from managing the Total Cost of Care for Medicare patients lower than a benchmark.

Unlike other value-based care programs and models, MSSP does not require transitioning from fee-for-service to fixed monthly payments. It also offers upside-only options, making it an attractive option for providers and organizations who wish to participate in value-based care, but are either not ready to transition from FFS or unwilling to take on downside risk.

HOW IT WORKS



Get risk-free upside

Join MSSP Track A to earn shared savings with no downside risk

Focus on outcomes

Deliver care at the right time to the patients who need it most

Maintain FFS revenue

Continue billing for and receiving FFS revenue with no changes

Eliminate waste

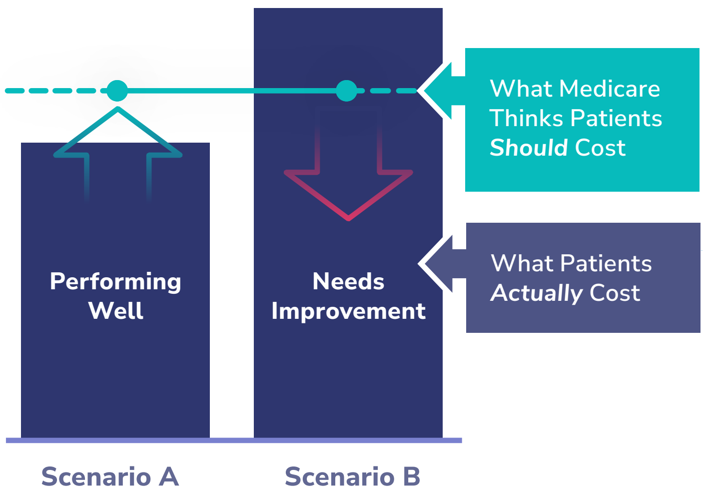
Reduce unnecessary, high-cost utilization

FINANCIAL ANALYSIS REPORT

Illustrative Case Study — *Dr. Ranka*

Let's take a closer look at the potential financial impact of MSSP Track A on Dr. Ranka's primary care practice, which currently serves **500 Traditional Medicare patients**.[2]

Revenue Source	Traditional Medicare FFS	MSSP Track A	Financial Impact
Billed E&M Codes	Billed FFS	**Billed FFS**	None. Revenue-neutral
Shared Savings[3]	N/A	Paid based on performance vs. benchmark	Financial opportunity



Savings Rate: Reduced TCOC	Medical-Loss Ratio (MLR)	Total Earning Opportunity[4]
–2%	98%	**+$35,100 / yr**
–3.5%	96.5%	**+$61,400 / yr**
–5%	95%	**+$87,800 / yr**

RESULTS WITH MSSP

FEE-FOR-SERVICE REVENUE	SHARED SAVINGS
$247,800	**$87,800**

BENCHMARK	SAVINGS RATE
$17,600	–5%

TOTAL PRIMARY CARE REVENUE

$335,600

1 Pearl Health, "Primary Care Pulse 2023 Report," 2023

2 Dr. Ranka is not a real physician, and the data shown in this example is a representation of the MSSP model.

3 Shared Savings from managing Total Cost of Care (TCOC) of patients. The financial opportunity of MSSP depends on outperforming a TCOC benchmark, which is what Medicare thinks care for patients should cost. Beating this benchmark would result in shared savings — and more revenue — for Dr. Ranka's practice.

4 Earning opportunity is dependent on surpassing the minimum savings rate (MSR) for MSSP Track A, which is based on the size of the ACO. The MSR for ACOs with >60,000 beneficiaries is 2%, so those ACOs would earn full shared savings at all of the savings rates shown here. However, the MSR can be as high as 3.9% for small ACOs with 5,000 beneficiaries.