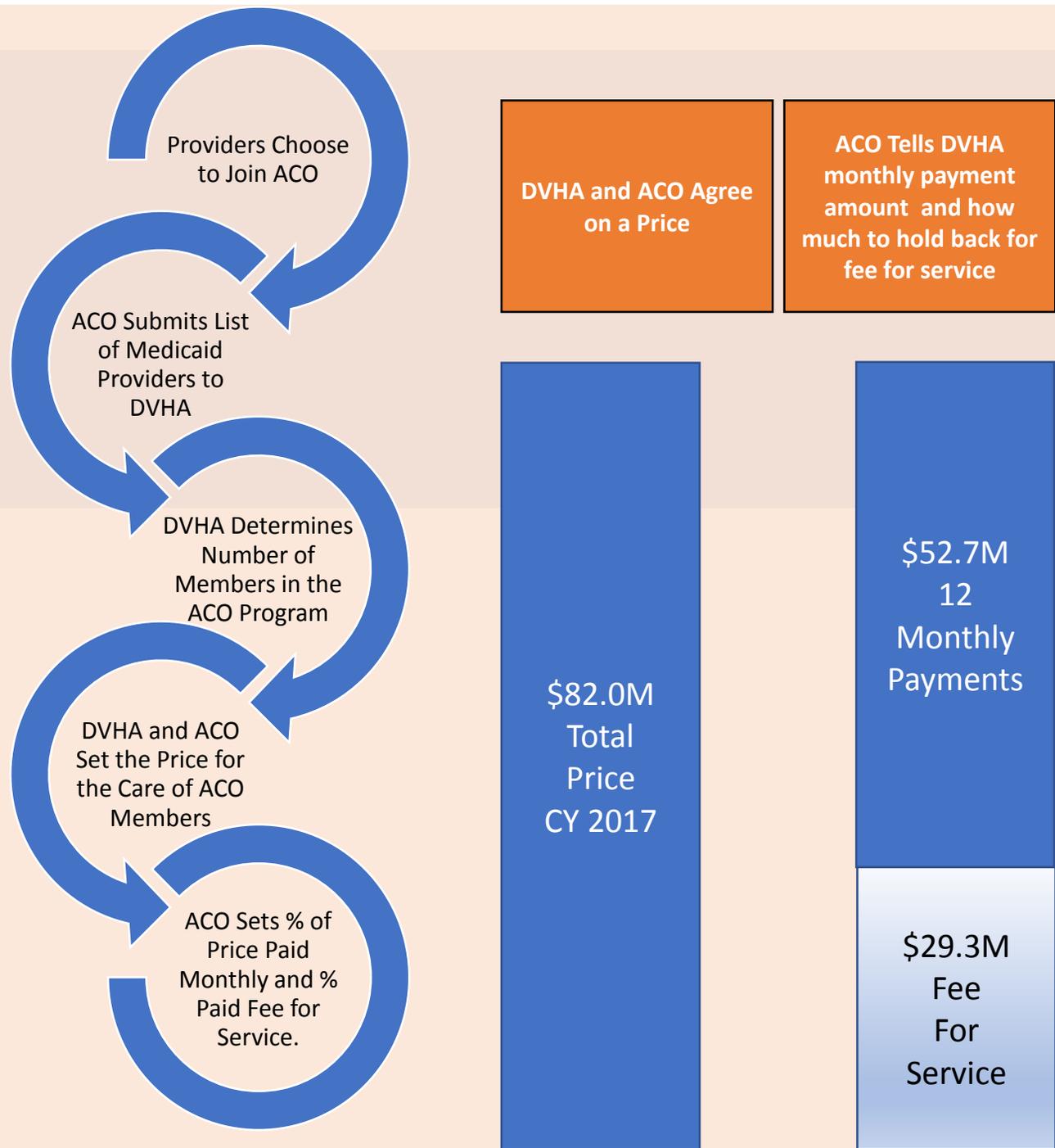


How DVHA Sets the ACO Price and Pays the ACO



	2017	2018	2019
Hospital Service Areas	4	10	13
Providers	~2,000	~3,400	~4,300
Members	~29,000	~42,000	~79,000
Price	\$81,996,647	\$117,249,629 (Est)	\$235,295,567 (Est)

The Logic Behind Setting the ACO Price

Setting the Price

Medicaid paying for expenses above 103% of the price allows providers to change the way they deliver care without facing catastrophic losses

103%

Making the ACO repay DVHA for exceeding the set price up to this level creates incentives to keep costs down

100%

A set price at this level creates an opportunity to change the way health care is delivered and gives DVHA some certainty about health care costs

97%

Allowing providers to keep money until this level of the price creates an incentive to keep costs down

Requiring ACO to pay back unspent money below 97% of the price creates an incentive to spend money on care and to invest in providers and the community