**Tool: Checklist for Successful ACO Contracting**

The following steps have enabled Banner’s accountable care organization (ACO), Banner Health Network, to achieve success in quality and cost outcomes.

* Change the mindset. Ensure organizational understanding and acceptance that fee-for-service payment models will largely be replaced by value-based payment models, in which performance in reduced costs and higher quality care, not the amount of services rendered, will determine revenue.
* Develop the appropriate infrastructure. Necessary resources include:
* Capital—Set aside capital to fund additional staffing, which will provide the appropriate care coordination, and technology that will produce the data necessary to support accountable care.
* Data—Gather internal and external patient demographic, financial, and clinical data to identify and categorize patient populations and identify acuity levels.
* Staffing—Use case managers specifically trained in ambulatory care, which requires different skill sets from case management in the acute care setting.
* Negotiate an ACO agreement that focuses on:
* Data exchange—Ensure that the health system has the appropriate type and amount of data to identify and categorize patient populations.
* Level of risk—Start out with low or no-risk arrangements, such as payment for care coordination. Move on to shared savings programs, in which no revenue is at risk. Once experience is established with care coordination and data, move on to risk-based programs, in which the health system is at risk for quality and efficiency of care it provides.
* Division of roles—Define the health system’s and payer’s roles in coordination of care management programs, based upon each side’s experience and expertise.
* Revenue cycle process—Establish how billing and payment processes will be handled so as not to negatively affect patient experience.

*Source:* Greg Wojtal, CFO of Banner Health, Phoenix. Used with permission.