

Institute for Accountable Care Episode Analytics

The Institute for Accountable Care (IAC) is currently developing episode-of-care analytic reports to help ACOs evaluate the performance of specialist physicians. IAC uses the Patient-Centered Episode System (PACES), a tool designed specifically for Medicare. Using our access to 100% of Medicare Part A and Part B claims, we are developing reports to provide actionable information for ACO's interested in engaging specialist physicians and improving the value of specialty care services for their beneficiaries.

Overview of the Patient Centered Episode System (PACES)

PACES is a software application that reads in Medicare claims data chronologically and assigns each beneficiary's services and their associated Medicare payments to episodes of care. This tool was originally developed for the Center for Medicaid and Medicare Services (CMS) as part of the Affordable Care Act's mandate to develop a public sector episode grouping tool. PACES includes chronic, acute, and procedural episodes of care for conditions that can be analyzed individually or integrated in a nested structure.

Strengths of PACES include:

- Ability to handle overlapping complex chronic conditions
- Patient-centered view with no double counting of costs
- Advanced risk adjustment models that produce observed versus expected results
- Visibility into over 800 chronic, acute and procedure events

Unlike individual bundles, PACES allows providers to see the relationships between episodes, such as spine surgery for symptomatic spondylolisthesis versus cancer. PACES also identifies sequelae or complications of care such as post-surgical infections or acute exacerbations of chronic conditions. Examining these relationships between episodes supports measures like surgical utilization rates or complication rates for cohorts of patients. Finally, PACES was designed to support team-based care models and allows end users to look at the number of clinicians involved in producing care based on their role (e.g., primary versus specialty care).

Applications of PACES

PACES is a versatile tool that can help ACOs find opportunities to improve efficiency by identifying:

- Low-value or duplicative services,
- Excess use of high-cost settings,
- Sequelae or complications of care,
- Missed opportunities to avoid acute exacerbations, or reduce the need for surgery.

In addition, PACES allows insights into different levels within the delivery system including individual practitioners (e.g., NPI), clinician practices (e.g., TIN) or facilities (CCN).

PACES in Population Health

PACES can be particularly helpful for profiling the work of medical specialists, moving beyond individual bundles to look more broadly at a provider's full book of business. Rather than assess an orthopedic surgery group's performance on joint replacement alone, for example, PACES allows users to measure aggregate performance across a range of procedures such as knee arthroscopy, fracture repair and meniscus repair, that make up a majority of the work done by a particular surgical group. PACES also supports:

- Comparison of internal specialists' groups to community or national benchmarks,
- Profiling specialist groups in your market to identify preferred referral partners,
- Managing cohorts of patients with similar episode profiles (e.g., heart failure, COPD, or diabetes) over time,
- Identifying and optimizing care teams.

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