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Applicability Privia Health and  
All Markets

## ACO Repayment Mechanisms

### Purpose:

Detail the ACO's policy and processes to ensure compliance with the Medicare Shared Savings Program Final Rule requirements related to the maintenance of an appropriate Repayment Mechanism.

### Scope:

This policy applies to all Privia Quality Networks, all PQN's, and CMG ACO who participate in a two-sided or down-side risk model.

### Definitions:

- **Medicare Shared Savings Program (MSSP)**- Medicare Shared Savings Program, established under section 1899 of the Social Security Act.

### Policy:

It is the policy of the ACO to ensure it has the ability to repay all shared losses for which it may be liable under a two-sided risk, or down-side risk model, in accordance with Section [425.204](#) of the Medicare Shared Savings Program Final Rule.

### Procedure:

- A. The ACO will, for the duration of the ACO's participation under a two-sided model plus 12 months following the conclusion of the agreement period, maintain one or more of the following repayment mechanisms in an amount specified by CMS:

1. An escrow account with an insured institution;
  2. A surety bond from a company included on the U.S. Department of Treasury's List of Certified Companies;
  3. A line of credit at an insured institution (as evidenced by a Letter of credit that the Medicare program can draw upon).
- B. The repayment mechanism must either cover:
1. The entire duration of the ACOs participation under a two-sided risk model plus 12 months following the conclusion of the agreement period.
  2. A term of at least the first two performance years in which the ACO is participating under a two-sided model and provides for automatic, annual 12- month extensions such that the repayment mechanism will eventually remain in effect for the duration of the agreement period plus 12 months following the conclusion of the agreement period.
- C. The ACO must demonstrate the adequacy of this repayment mechanism prior to the start of each performance year in which it is participating in a two-sided model.
- D. In the event that the repayment mechanism is used to repay any portion of shared losses owed to CMS, the ACO will replenish the amount of funds available within 90 days.

## Approval Signatures

Step Description	Approver	Date
Chief Audit & Compliance Officer Approval	Dana Fields: Chief Audit & Compliance Officer	05/2024
ACO Compliance Leadership Approval #1	Stephanie Clark: Director, Compliance & ACO Compliance Officer	05/2024
	Stephanie Clark: Director, Compliance & ACO Compliance Officer	05/2024