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Owner Stephanie Clark:
Director,
Compliance &
ACO Compliance
Officer

Area Compliance

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
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