

Medicare Shared Savings Program: Advance Investment Payments (AIP)

The Shared Savings Program offers a payment option, known as Advance Investment Payments (AIP), for eligible ACOs to receive an **upfront payment of \$250,000 and two years of quarterly payments.**



- The Medicare Shared Savings Program (Shared Savings Program) is a voluntary program that encourages groups of doctors, hospitals, and other health care providers to come together as an Accountable Care Organization (ACO) to give coordinated, high-quality care to their Medicare beneficiaries.
- AIP provides an opportunity for entities in rural and underserved areas to join together to form ACOs. AIP supplies eligible ACOs with upfront funds to build the infrastructure needed to succeed in the Shared Savings Program and promote equity by holistically addressing beneficiary needs, including social needs.
- Advance investment payments will be recouped from earned shared savings in an ACO's current and subsequent agreement period, if a balance persists. If the ACO does not achieve shared savings, CMS will not recoup advance investment payments, unless the ACO terminates its participation in the Shared Savings Program or is involuntarily terminated in the first agreement period.
- Eligible ACOs that want to receive advance investment payments must submit to CMS complete supplemental information as part of their application to participate in the Shared Savings Program. This includes a spend plan, which will be annually updated as a part of the ACO's public reporting.
- Refer to the [AIP Guidance](#) for more information about AIP.

AIP ELIGIBILITY

AIP Eligibility Requirements

- ✓ Meet all Shared Savings Program requirements ([42 CFR §§ 425.100–425.118](#)) ([Program Guidance & Specifications](#));
- ✓ Be a **new applicant** to the Shared Savings Program (not renewing or re-entering ACO) and;
- ✓ Be a **low revenue** ACO and **inexperienced with performance-based risk** ([42 CFR 425.630\(b\)](#)) ([AIP Guidance](#)).

HOW ADVANCE INVESTMENT PAYMENTS ARE DETERMINED AND USED

 <p>Payment Amount Methodology (42 CFR § 425.630(f))</p>	<ul style="list-style-type: none"> • One-time upfront fixed payment of \$250,000 • Two years of quarterly payments (eight total) <ul style="list-style-type: none"> ◦ Up to \$45 per beneficiary per quarter (amount based on beneficiary attributes, including Area Deprivation Index (ADI) score, Medicare Part D low-income subsidy (LIS), and dual eligible status). Payment is capped at 10,000 highest need beneficiaries.
 <p>Permitted Payment Uses (42 CFR § 425.630(e))</p>	<ul style="list-style-type: none"> • Improve the quality and efficiency of items and services furnished to beneficiaries by investing in: <ul style="list-style-type: none"> ◦ Increased staffing ◦ Health care infrastructure ◦ Provision of accountable care for underserved beneficiaries, including addressing social determinants of health • ACOs are encouraged to work with Community Based Organizations (CBOs) to screen and manage beneficiary health-related social needs (refer to the Advance Investment Payments Roles for Community Based Organizations at a Glance document for more details). Find local CBOs here: <ul style="list-style-type: none"> ◦ https://eldercare.acl.gov/Public/Index.aspx ◦ https://communityactionpartnership.com/find-a-cap/

HOW TO APPLY

Application Steps

- ✓ Applications for the Medicare Shared Savings Program open annually via the [ACO Management System \(ACO-MS\)](#)
- ✓ Additional information on applying to the Shared Savings Program is available on the [Application Types & Timeline webpage](#)

If you have questions, please send them to SharedSavingsProgram@cms.hhs.gov.