

Transforming Episode Accountability Model



OVERVIEW FACT SHEET

The transforming episode accountability model (TEAM) is a mandatory, five-year episode-based payment model finalized by the Centers for Medicare & Medicaid Services (CMS) in 2024. The model aims to improve the quality of care and reduce costs for Medicare beneficiaries undergoing certain high-expenditure, high-volume surgical procedures.

Persivia's Proven Experience With Episodic Models

- \$19 million saved in readmission costs
- A remarkable 65% reduction in all-cause 30-day readmission rates
- 7% decreased in SNF Length of Stay
- Achieved an impressive 4% NPRA for a client, exceeding the national average of 2.2%

Episodes Of Focus

TEAM will focus on the following surgical procedures:

1. Lower extremity joint replacement
2. Surgical hip femur fracture treatment
3. Spinal fusion
4. Coronary artery bypass graft
5. Major bowel procedure

Evaluation

The model will be evaluated based on: Quality measures including hospital readmissions, patient safety, and patient-reported outcomes. Comparison of actual Medicare FFS spending to target prices.

Model Approach

- TEAM will start on January 1, 2026, and end on December 31, 2030.
- Acute care hospitals paid under the Inpatient Prospective Payment System (IPPS) and located in selected Core-Based Statistical Areas (CBSAs) across the U.S. are required to participate.
- Participants may earn a payment from CMS or owe a repayment amount, subject to a quality performance adjustment, depending on their spending relative to the target price.

Key Goals of TEAM

- Improve quality of care and reduce recovery time for Medicare beneficiaries undergoing select surgical procedures.
- Lower Medicare spending and drive equitable outcomes.
- Have all Medicare beneficiaries in a care relationship with accountability for quality and total cost of care by 2030.

Participation Tracks

TEAM will have three participation tracks with different levels of risk and reward

Track 1

No downside risk and lower levels of reward for one year for all **TEAM** participants and up to three years for safety net hospitals.

Track 2

Lower levels of risk and reward for certain **TEAM** participants such as safety net hospitals or rural hospitals, for years two through five.

Track 3

Higher levels of risk and rewards for years one through five.