

What Is a Direct Contracting Entity?

A Direct Contracting Entity (DCE) is a type of Accountable Care Organization (ACO).¹ An ACO is a group of doctors, hospitals, and/or other health care providers that work together to improve the quality and experience of care you get. These organizations help your doctors know your health history and talk to one another about your care and your health care needs. This can save you time and money by avoiding repeated tests and unneeded appointments. It may make it easier to spot potential problems before they become more serious—like drug interactions that can happen if one doctor isn't aware of what another has prescribed.

Important! An ACO won't limit your choice of health care providers. It isn't a Medicare Advantage Plan. If your doctor is part of an ACO, you still have the right to visit any doctor, hospital, or other provider that accepts Medicare at any time.

You may be able to get some benefits that aren't available to people outside an ACO. For example, a doctor who is part of an ACO may be approved to send their patients for skilled nursing facility care even if they haven't stayed in a hospital for 3 days first, which is usually a requirement in Medicare. For you to qualify for this benefit, your doctor has to decide that you need skilled nursing facility care and meet certain other eligibility requirements.

If your primary care provider participates in an ACO and you have Original Medicare, you'll get a written notice from your provider and you'll see a poster in your provider's office about participating in an ACO. There are now hundreds of ACOs available across the country. ACOs are rewarded when they provide you with high quality care and spend health care dollars wisely. Log into (or create) your secure Medicare account at Medicare.gov to select a primary care provider who can help you manage your health care in an ACO.

Sharing your health care information with ACOs

One of the most important benefits of an ACO is that your doctors and other providers can communicate and coordinate your care. To help with that, Medicare gives certain information about your care to your health care providers' ACO. Sharing your data in this way helps make sure all the people involved in your care have access to your health information when and where they need it, to work together to get you the care you need. If you don't want Medicare to share your health care information this way, call 1-800-MEDICARE (1-800-633-4227) and tell that to the representative. TTY users can call 1-877-486-2048. If you decide you don't want Medicare to give your health care information to your doctors, Medicare will continue to use your information for some purposes, like evaluating financial performance and quality of care.

To learn more about DCEs, visit https://www.medicare.gov/manage-your-health/coordinating-your-care/gpdc-model or call 1-800-MEDICARE. TTY users can call 1-877-486-2048.

¹ DCEs are under an agreement with Centers for Medicare and Medicaid Services (CMS) to participate in the Global and Professional Direct Contracting (GPDC) Model.