



**Policy Research Perspectives**

# **Alternative Payment and Delivery Models: A Decade in Review Shows Stagnant Growth Between 2014 and 2024**

**By Allen Hardiman, PhD**  
Sr. Economist, American Medical Association

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## Executive summary

Value-based care is designed to improve the quality of care while lowering costs – a core foundation of both Accountable Care Organizations (ACOs) and Alternative Payment Models (APMs). Using the data from the American Medical Association's (AMA) Physician Practice Benchmark Surveys, this Policy Research Perspective (PRP) addresses two questions. First, what are the recent trends in participation in medical homes and ACOs as well as in the use of fee-for-service (FFS) and APMs? Second, how does participation differ across physician specialty, practice type, and practice ownership?

In 2024, about one quarter of physicians (25.6 percent) reported that their practices were recognized as a medical home. Among ACO types, commercial ACOs were the most prominent type of ACO, with 40.8 percent of physicians reporting that their practices belonged to one. This is closely followed by Medicare ACOs (37.6 percent) and Medicaid ACOs (28.6 percent). Overall, 53.5 percent of physicians reported that their practice participated in at least one ACO type in 2024, down from 57.8 percent in 2022. This drop reflects a decline in awareness due to the growing proportion of employed physicians who have lower awareness than owner physicians. Nevertheless, participation in each ACO type remained higher than in 2014 (the earliest available data for Medicare ACOs) and 2016 (the earliest available data for Medicaid and commercial ACOs).

This PRP also reveals that there are differences in care delivery participation across practice characteristics. Participation in ACOs and medical homes was higher among physicians in practices with primary care physicians (PCPs), multi-specialty practices, and hospital-owned practices than among physicians in practices without PCPs, solo practices, and physician-owned practices, respectively.

Shifting to payment methods, FFS remained the most prevalent payment method in 2024 as in previous years, with 82.8 percent of physicians in practices that received at least some revenue from this method. By comparison, 62.4 percent of physicians worked in practices that received at least some payment from one of the four APMs asked about in the survey, higher than the 59.0 percent rate in 2014 despite being slightly lower than in 2022. Among APMs, bundled payments and pay-for-performance have remained the predominant payment methods since 2014 (the earliest data available), whereas capitation and shared savings have been relatively less common.

When looking at revenue shares, 67.7 percent of practice revenue reported by physicians came from FFS in 2024, with the rest coming from APMs. In addition, the data show a declining trend in complete reliance on FFS, with more physicians reporting that their practices receive all revenue from APMs. However, despite the rising prevalence of APMs over the last decade, FFS remained a significant and stable source of revenue for practices partly because many APMs are built off FFS payments.



## Introduction

This Policy Research Perspective (PRP) is the latest iteration in a series of biennial reports on physician participation in care delivery models and payment methods. Using the data from the American Medical Association's (AMA) Physician Practice Benchmark Surveys, this report analyzes the recent trends in participation in medical homes and accountable care organizations

(ACOs) as well as how the use of fee-for-service (FFS) and alternative payment models (APMs) has evolved over time. In addition, this report also examines how care delivery models differ across physician specialty, practice type, and practice ownership.

In 2024, just over one quarter of physicians (25.6 percent) were

in practices that were accredited as a medical home. For participation in ACOs, 37.6 percent of physicians reported that their practices belonged to a Medicare ACO, 28.6 percent to a Medicaid ACO, and 40.8 percent to a commercial ACO. While participation across all care delivery models had been rising through 2022, it declined or stagnated in 2024. Participation in medical homes declined by 9 percentage points in 2024, bringing it closer to its 2014 level. Similarly, involvement in commercial ACOs declined by 4 percentage points. Participation rates in Medicare and Medicaid ACOs in 2024 were close to those for 2022. Despite the 2024 shifts in trend, participation rates in each type of ACO in 2024 remained significantly higher than in 2014 (the earliest available data for Medicare ACOs) and 2016 (the earliest available data for Medicaid and commercial ACOs).

While trends in ACO participation have been documented in other studies (Markovitz et al., 2025; Muhlestein et al., 2021; Muhlestein et al., 2022), the AMA Physician Practice Benchmark Surveys provide important insights into how participation in care

delivery models differs by specialty, practice type, and practice ownership, information often not elsewhere available. However, its survey-based nature also introduces certain limitations, particularly the presence of "don't know" responses on participation, which should be considered when interpreting the findings. The growth of employed physicians, who

have lower awareness than owner physicians, further complicates the interpretation of trends over time.

As in prior years, FFS was easily the most prevalent payment method in 2024, with 82.8 percent of physicians in practices that received at least some revenue from this method. In contrast, the findings

demonstrate that 62.4 percent of physicians worked in practices that received at least some payment from one of the four APMs asked about in the survey. Both percentages were slightly lower than in 2022, partly because of a large increase in employed physicians who have a greater degree of uncertainty around practice participation. Still, participation in APMs remained higher than the 59.0 percent rate in 2014. Among APMs, bundled payments and pay-for-performance were the most common payment methods in 2024, with 38.5 percent and 37.6 percent of physicians reporting their practices received at least some revenue from those methods, respectively. Less common, 20.3 percent of physicians were in practices that received payment from capitation, and 17.7 percent were in practices that received payment from shared savings. When looking at the distribution of practice revenue, an average of 67.7 percent came from FFS in 2024, with the rest coming from APMs. Despite the rise of APM prevalence over the years, FFS remained a significant and stable source of revenue for practices partly because many APMs are built off FFS payments (Chernew et al., 2020).

### **AMA Physician Practice Benchmark Surveys provide important insights into how participation in care delivery models differs by specialty, practice type, and practice ownership, information often not elsewhere available.**

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## Data and methods

The AMA's Physician Practice Benchmark Surveys are a series of biennial surveys that first began in 2012. Through 2022, the survey includes nationally representative data on approximately 3,500 physicians who provide at least 20 hours of patient care, have completed residency, and are not employed by the federal government. In 2024, an additional 1,500 physicians were included in the sample, bringing the total sample to 5,000 physicians.<sup>1</sup>

This PRP utilizes questions in the survey related to participation in care delivery models and payment methods. Physicians were asked if their practices are currently “accredited” or “recognized” as a medical home, and whether their practices participate in a Medicare, Medicaid, or commercial ACO. Physicians were also asked if their practices are paid through

FFS, pay-for-performance, capitation, bundled payments, and shared savings for the care they provided. Additionally, for each payment method that was received by the practice, physicians were asked to provide their best estimate of the share of practice revenue from that payment method. For each method, a brief explanation was provided, and physicians could indicate that they “don’t know” the answer to any of those questions. Finally, this PRP also utilizes information on each physician’s main practice, including its practice type, ownership structure, and whether it includes primary care physicians. It covers the period starting in 2014, the first year in which questions on (some) care delivery models were included.

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## ACOs and medical homes

### 2014-2024 Trends in participation and awareness

Although participation in medical homes increased by nearly 11 percentage points from 2014 to 2022, this jump was almost completely reversed by 2024 (Figure 1). In 2024, only 25.6 percent of physicians reported working in practices that were accredited as a medical home—down from 34.4 percent in 2022. One possible explanation for this decline in participation was a major change in reporting requirements for the National Committee for Quality Assurance (NCQA), one of the main accrediting bodies of Patient-Centered Medical Homes (PCMH). Starting in 2024, NCQA began requiring PCMHs to report a full year of standardized electronic quality data directly from certified EHRs, replacing earlier, more flexible reporting options (National Committee for Quality Assurance, n.d.). This added complexity may have contributed to the decline in PCMH recognition.

The share of physicians whose practices participated in a Medicare ACO was 37.6 percent in 2024, up by 9 percentage points from 2014 and similar to the 38.1 percent share in 2022. Much of this spike was driven by a jump between 2016 and 2018, when the

share rose by 6 percentage points to 38.2 percent. Participation has remained stable since then, which aligns with previous findings based on other data sources that showed substantial growth in the number of Medicare Shared Savings Program (MSSP) ACOs up to 2018 before leveling off (Markovitz et al., 2025; Centers for Medicare and Medicaid Services, 2025). Additionally, physicians’ awareness of whether their practices participated in a Medicare ACO has remained relatively stable overall, with approximately one quarter of physicians uncertain about their practices’ participation in any year. Still, the percentage of physicians who did not know the Medicare ACO participation status of their practice was higher in 2024 than in any prior year.

Participation in Medicaid ACOs was 28.6 percent in 2024, up from 20.9 percent in 2016 but slightly lower than 30.0 percent in 2022.<sup>2</sup> Much of the rise in participation occurred between 2016 and 2018. From 2016 to 2022, physicians who responded “don’t know” about their practices’ participation in Medicaid ACOs declined slightly by 3 percentage points before rising notably to 34.0 percent in 2024. This was driven an increase in employed physicians and their awareness

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1 See Kane (2025) for more information on the Benchmark Surveys.

2 The questions regarding Medicare ACOs and medical homes started in 2014, while those related to Medicaid and commercial ACOs started in 2016.

Figure 1. Percentage of physicians in medical homes and ACOs from 2014 to 2024

		2014	2016	2018	2020	2022	2024
Medical Home	Yes	23.7%	25.7%	31.9%	32.3%	34.4%	25.6%
	No	52.2%	49.4%	45.2%	43.4%	39.7%	46.5%
	Don't know	24.1%	24.9%	23.0%	24.3%	25.9%	27.9%
Medicare ACO	Yes	28.6%	31.8%	38.2%	36.7%	38.1%	37.6%
	No	46.5%	43.7%	40.1%	40.6%	38.3%	36.5%
	Don't know	24.9%	24.5%	21.7%	22.7%	23.6%	25.9%
Medicaid ACO	Yes		20.9%	26.3%	29.5%	30.0%	28.6%
	No		47.2%	44.0%	42.0%	41.2%	37.4%
	Don't know		31.9%	29.7%	28.5%	28.8%	34.0%
Commercial ACO	Yes		31.7%	39.0%	42.7%	45.1%	40.8%
	No		37.6%	32.7%	31.4%	29.3%	27.4%
	Don't know		30.7%	28.4%	25.9%	25.5%	31.8%

Source: Author's analysis of AMA 2014–2024 Physician Practice Benchmark Surveys.

vis-à-vis that of physicians who were owners.<sup>3</sup>

Participation in commercial ACOs followed a similar pattern to medical homes. From 2016 to 2022, the share of physicians who reported their practices were part of a commercial ACO rose by 13 percentage points from 31.7 percent in 2016 to 45.1 percent in 2022. Again, a large portion of this increase was between 2016 and 2018. Over this period, there was also a notable decline in the share of physicians who were uncertain about participation.<sup>4</sup> However, 2024 marked a clear reversal of these trends. Participation shares in commercial ACOs declined by 4 percentage points to 40.8 percent, accompanied by a 6 percentage point rise in the share of physicians who were uncertain. As with Medicaid ACOs, this decline in awareness was driven by employed physicians, whose, in addition to increasing in prevalence, also experienced a greater increase in uncertainty than physicians who were owners (data not shown). Due to the decline in awareness, only 53.5 percent of physicians reported that their practices were part of at least one ACO type in 2024, down from 57.8 percent in 2022 (data not shown).<sup>5</sup>

The findings in this PRP are generally consistent with the previous literature that utilizes different

metrics, which found that commercial ACOs were the most prominent type of ACO, followed by Medicare ACOs and Medicaid ACOs (Muhlestein et al., 2021; Muhlestein et al., 2022). However, it also highlights that although practice participation in ACOs may be increasing, the shift in the physician population toward employment renders more physicians unaware of these practice level efforts.

**Although practice participation in ACOs may be increasing, the shift in the physician population toward employment renders more physicians unaware of these practice level efforts.**

**2024 Participation by practice specialty mix**

For each type of care delivery model, physicians in practices that had at least some primary care physicians (PCPs) were more likely to report participation than

3 The share of physicians who were employees increased by 8 percentage points between 2022 and 2024 (Kane, 2025).  
4 This spike in awareness was driven by increased awareness among employees (Rama, 2023).  
5 The share of physicians who responded “don’t know” to each of the three ACOs rose by 4 percentage points from 2022 to 2024, whereas the share of physicians who responded “no” to each of the three ACOs remained virtually unchanged (data not shown).

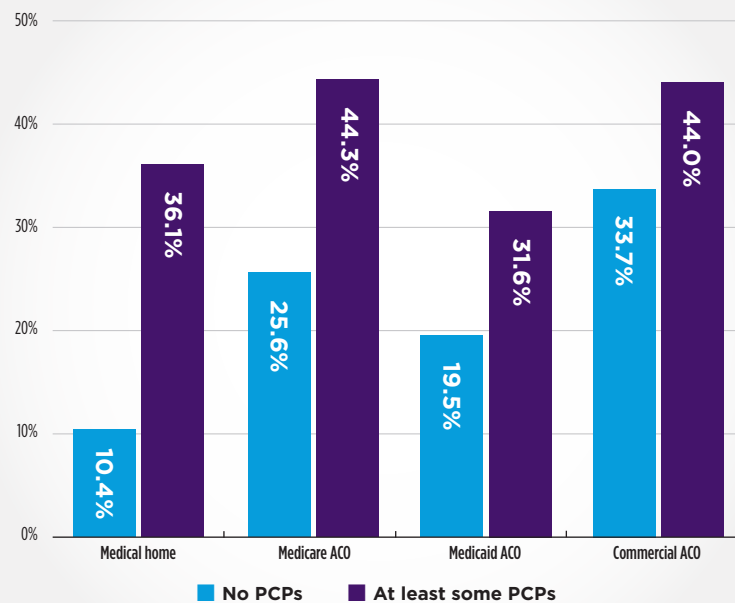
those in practices without PCPs (Figure 2).<sup>6</sup> This result is consistent with the fact that the ACO model often involves PCPs in its care coordination. In fact, ACO leaders note that increasing the provision of wellness visits – which are often administered by PCPs – is a major focus at many ACOs (Khullar et al., 2024).

In 2024, 36.1 percent of physicians in practices with PCPs reported that their practices were accredited as a medical home. This was 25 percentage points higher than the share among physicians in practices without PCPs (10.4 percent). There was also a wide gap for participation in Medicare ACOs, with a 44.3 percent participation rate among physicians in practices with PCPs compared to 25.6 percent among physicians in practices without PCPs. This discrepancy was still substantial for participation in Medicaid and commercial ACOs, though to a lesser extent (around an 11 percentage point difference). For the former, 31.6 percent of physicians in practices with PCPs participated in a Medicaid ACO compared to 19.5 percent of physicians in practices without PCPs. For commercial ACOs, there was a 44.0 percent participation rate among physicians in practices with PCPs compared to 33.7 percent among physicians in practices without PCPs.

## 2024 Participation by practice type

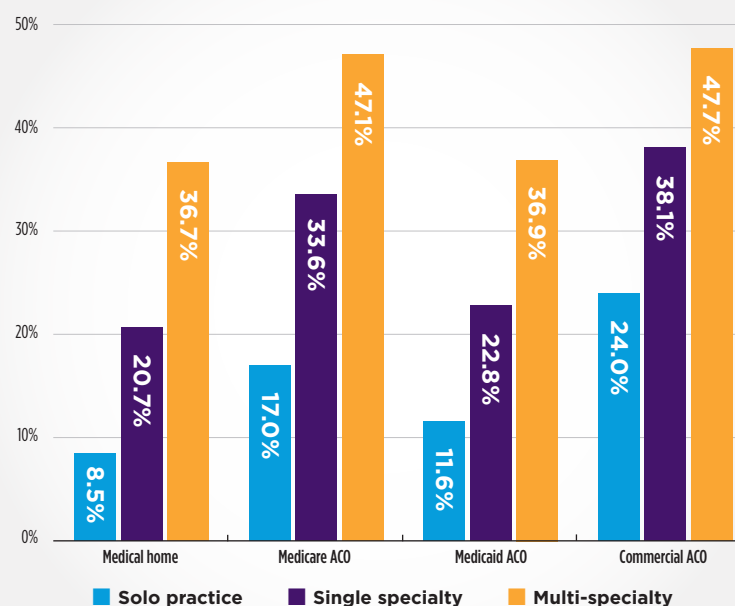
When looking at the intersection between care delivery models and practice type, physicians in multi-specialty practices were the most likely to report that their practices participated in each of the four care delivery models (Figure 3).<sup>7</sup> In contrast, physicians in solo practices were the least likely, while participation among physicians in

**Figure 2. Percentage of physicians in medical homes and ACOs by practice specialty mix (2024)**



Source: Author's analysis of AMA 2024 Physician Practice Benchmark Survey. Only physicians in solo, single specialty, and multi-specialty practices are included.

**Figure 3. Percentage of physicians in medical homes and ACOs by practice type (2024)**



Source: Author's analysis of AMA 2024 Physician Practice Benchmark Survey. Only physicians in solo, single specialty, and multi-specialty practices are included.

6 In 2024, 55.2 percent of physicians were either a primary care physician themselves or reported having primary care physicians in their practices. Primary care specialties include family medicine, general practice, internal medicine, obstetrics/gynecology, and pediatrics.

7 In 2024, 11.9 percent of physicians were in solo practice, 37.2 percent were in single specialty practice, 27.8 percent were in multi-specialty practice, and the remaining in other practice types (Kane, 2025). Care delivery model participation rates among remaining physicians in other practice types are not shown.

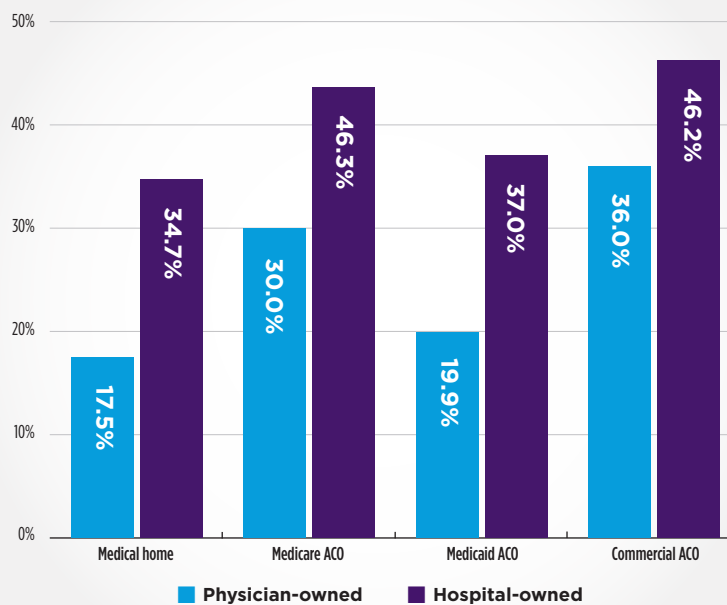
single specialty practices consistently fell between the two. In 2024, 47.7 percent and 47.1 percent of physicians in multi-specialty practices reported that their practices belonged to commercial and Medicare ACOs, respectively. In contrast, only 24.0 percent and 17.0 percent of physicians in solo practices indicated that their practices belonged to commercial and Medicare ACOs. The substantial gap was also evident in participation in Medicaid ACOs and medical homes. In 2024, 36.9 percent of physicians in multi-specialty practices indicated that their practices were part of a Medicaid ACO – 25 percentage points higher than among physicians in solo practices. Similarly, 36.7 percent of physicians in multi-specialty practices reported that their practices were accredited as a medical home, compared to just 8.5 percent of physicians in solo practices.

**Physicians in hospital-owned practices were significantly more likely to report that their practices participated in each of the care delivery models than physicians in physician-owned practices.**

## 2024 Participation by practice ownership

Participation in care delivery models also varied across practice ownership structure (Figure 4).

**Figure 4. Percentage of physicians in medical homes and ACOs by practice ownership (2024)**



*Note: Author's analysis of AMA 2024 Physician Practice Benchmark Survey. Only physicians in physician-owned and hospital-owned practices are included.*

Physicians in hospital-owned practices were significantly more likely to report that their practices participated in each of the care delivery models than physicians in physician-owned practices.<sup>8</sup> Specifically, 46.3 percent of physicians in hospital-owned practices reported that their practices participated in a Medicare ACO, compared to just 30.0 percent of physicians in physician-owned

practices. Similarly, this gap was approximately 17 percentage points for both Medicaid ACOs and medical homes. This disparity was smallest among commercial ACOs, where 46.2 percent of physicians in hospital-owned practices indicated that their practices participated in a commercial ACO, compared to 36.0 percent of physicians in physician-owned practices.

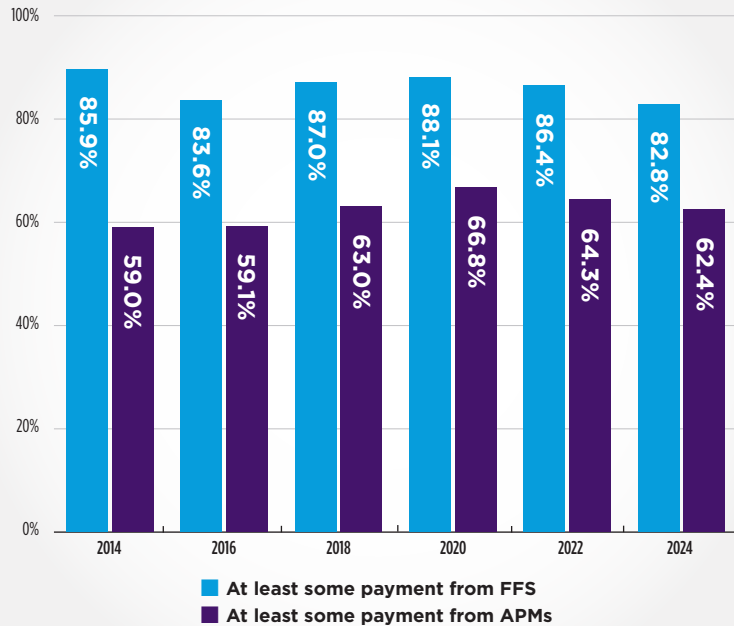
These findings are consistent with the previous literature which found that ACOs were more common among hospital-owned practices (Khullar et al., 2024; Muhlestein et al., 2022). Furthermore, hospital-owned practices are more likely than private practices to be multi-specialty and include primary care physicians – both of which are correlated with higher ACO participation rates (Figures 2 and 3).<sup>9</sup>

- 8 In 2024, 42.2 percent of physicians were in private practices and 34.5 percent were in hospital-owned practices (Kane, 2025). The remaining group of physicians were in another ownership structure (private equity, direct hospital employee/contractor, other) and are not included in Figure 4.
- 9 In 2024, 67.3 percent of physicians in hospital-owned practices reported having PCPs in their practices, compared to only 45.1 percent of physicians in physician-owned practices (data not shown).



## Fee-for-service and alternative payment methods

**Figure 5. Percentage of physicians in practices that receive fee-for-service and alternative payment methods from 2014 to 2024**



Note: Author's analysis of AMA 2014-2024 Physician Practice Benchmark Surveys.

### 2014-2024 Trends in participation and awareness

In addition to care delivery model participation, this PRP also examines the recent trends in the payment methods that practices receive. As shown in Figure 5, a large proportion of physicians (82.8 percent) reported that their practices received at least some payment from FFS in 2024. While this represents the lowest share since 2014, FFS has remained a consistently prevalent method of payment, even amid year-to-year fluctuations.

In 2024, 62.4 percent of physicians reported that their practices received payment from one of the four APMs that were asked about. This is up from 59.0 percent in 2014 but slightly below the rates of 2018 to 2022 which ranged from 63.0 percent to 66.8 percent. The decline may reflect an increase in uncertainty rather than a true drop in participation.<sup>10</sup>

**Figure 6. Percentage of physicians in practices that receive fee-for-service, pay-for-performance, capitation, bundled payments, and shared savings from 2014 to 2024**

		2014	2016	2018	2020	2022	2024
Fee-for-service	Yes	85.9%	83.6%	87.0%	88.1%	86.4%	82.8%
	No	5.2%	5.8%	6.6%	6.1%	6.3%	7.9%
	Don't know	9.0%	10.6%	6.4%	5.7%	7.3%	9.3%
Pay-for-performance	Yes	32.7%	35.7%	42.3%	44.5%	41.4%	37.6%
	No	50.5%	44.3%	42.6%	41.5%	42.2%	41.9%
	Don't know	16.8%	20.1%	15.0%	13.9%	16.4%	20.5%
Capitation	Yes	26.1%	25.1%	23.9%	23.8%	25.5%	20.3%
	No	57.8%	55.2%	60.0%	59.9%	56.0%	57.0%
	Don't know	16.1%	19.6%	16.1%	16.3%	18.5%	22.6%
Bundled payments	Yes	34.5%	34.8%	36.2%	40.1%	39.6%	38.5%
	No	46.6%	44.4%	47.7%	44.0%	42.4%	39.8%
	Don't know	18.9%	20.8%	16.1%	16.0%	18.0%	21.8%
Shared savings	Yes	13.6%	16.7%	18.9%	21.5%	22.2%	17.7%
	No	59.1%	53.5%	57.3%	53.8%	51.5%	49.9%
	Don't know	27.3%	29.8%	23.8%	24.7%	26.3%	32.4%

Note: Author's analysis of AMA 2014-2024 Physician Practice Benchmark Surveys.

As shown in Figure 6, pay-for-performance and bundled payments have been the most common type of APMs since

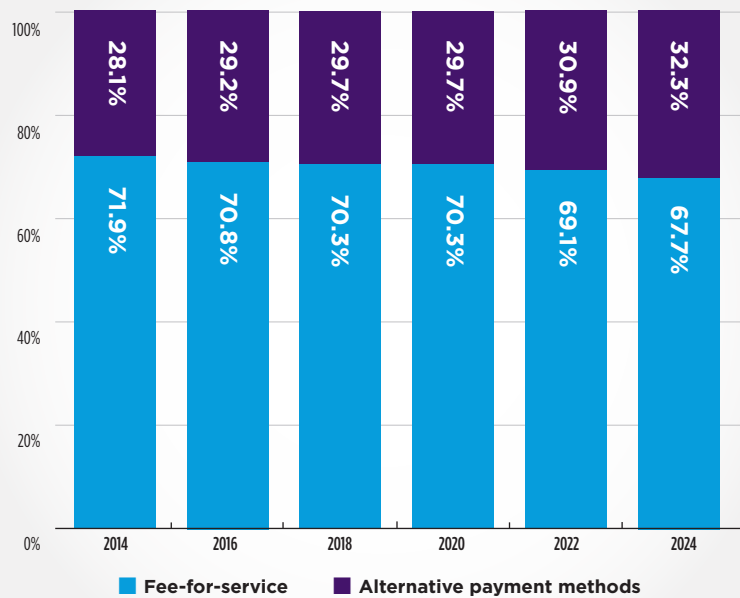
<sup>10</sup> The share of physicians who responded "no" to each of the four APMs declined notably from 25.9 percent in 2014 to 20.6 percent in 2024. At the same time, however, the share of physicians who responded "don't know" to each of the four APMs rose from 8.3 percent in 2014 to 11.0 percent in 2024.



2014. The share of physicians reporting that their practices received bundled payments rose from 34.5 percent in 2014 to 38.5 percent in 2024, despite a slight drop from 39.6 percent in 2022. Similarly, for pay-for-performance, 37.6 percent of physicians were in practices that received payments from this method in 2024 – up from 32.7 percent in 2014, but still lower than 41.4 percent recorded in 2022. For both methods, there was an increase in uncertainty between 2022 and 2024 which may be a driver of the drop in measured participation.

The other two APMs – capitation and shared savings – were less common. In 2024, only 20.3 percent of physicians reported that their practices received payments from capitation, the lowest level since 2014. The shared savings method was even less prevalent, with only 17.7 percent of physicians in practices that received payments from this method, lower than 22.2 percent in 2022, but higher than the 13.6 percent share in 2014. In both cases and as with the other two APMs, the decline in each

**Figure 7. Fee-for-service and alternative payment method revenue shares reported by physicians from 2014 to 2024**

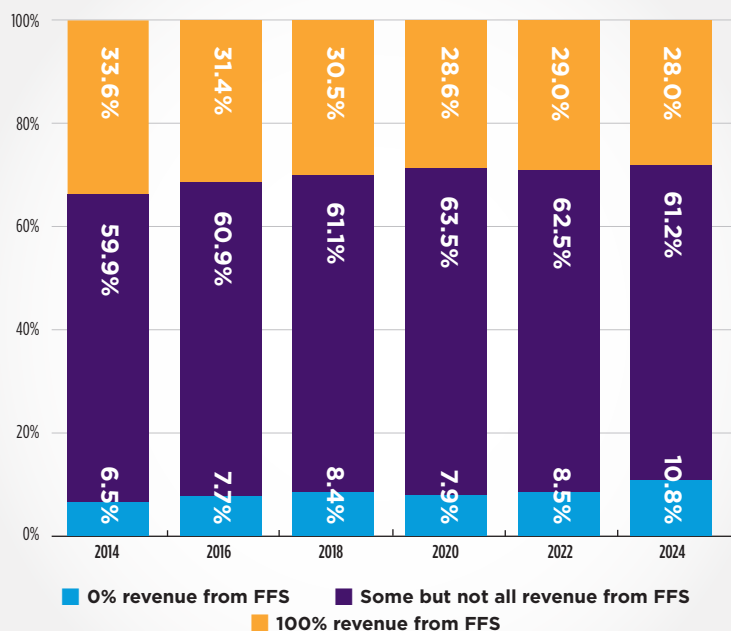


Note: Author's analysis of AMA 2014-2024 Physician Practice Benchmark Surveys. Physicians that do not know the fee-for-service revenue shares (roughly 20 percent in each year) are excluded from this analysis.

payment method from 2022 appears to be largely driven by a drop in awareness. In 2024, 22.6 percent of physicians were uncertain whether their practices received payments from capitation, and 32.4 percent were uncertain about shared savings – the highest

compared to other APMs. These figures represent increases of about 4 percentage points and 6 percentage points from 2022, respectively.

**Figure 8. Fee-for-service revenue shares reported by physicians from 2014 to 2024**



Note: Author's analysis of AMA 2014-2024 Physician Practice Benchmark Surveys. Physicians that do not know the fee-for-service revenue shares (roughly 20 percent in each year) are excluded from this analysis.

## 2014-2024 Trends in revenue share

This section further examines the distribution of revenue between 2014 and 2024. Over this period, although there has been a slow but steady increase in the average share of revenue from APMs, FFS has continued to account for the majority of practice revenue (Figure 7). In 2014, for every \$100 of revenue received, \$71.90 was from FFS while the remaining \$28.10 came from APMs. In 2024, \$67.70 was from FFS and \$32.30 was from APMs.

As shown in Figure 8, the share of physicians who reported that their practices received all their revenue from FFS has declined. Only 28.0 percent of physicians indicated that their practices

received all their revenue from FFS in 2024, down from 33.6 percent in 2014. On the other hand, the share of physicians whose practices received all their revenue from APMs has risen by 4 percentage points to 10.8 percent in 2024. The percentage of physicians in practices with a mix of revenue from APMs and FFS was similar across years.

In addition to the growing prevalence of ACOs – which are primarily structured around APMs, as discussed later – the rise of APMs more broadly is likely driven by their increasingly central role in major health insurance programs. For example, Medicare Advantage, which is primarily based on APMs, has expanded significantly over the past decade, while traditional Medicare has stagnated or declined (Hardiman, 2025).<sup>11</sup> Similarly, Medicaid Managed Care Organizations (MCOs) – which largely rely on APMs – covered 75 percent of Medicaid enrollees in 2022, up from 67 percent in 2016 (Kaiser Family Foundation, 2022). Nearly all Medicaid MCOs (98 percent) reported using at least one type of APM, with the most common being pay-for-performance (93 percent) and shared savings (61 percent) (Garfield et al., 2018).

The relatively stable – though gradually declining – share of FFS as part of a practice’s revenue despite the higher prevalence of APMs may be driven by the fact that many APMs are built off FFS payments (Chernew et al., 2020). More specifically, a report by the Health Care Payment Learning and Action Network (2023) shows that in 2022, FFS was involved in over 90 percent of payment,

either on its own (40.6 percent) or in conjunction with APMs and other quality measures (49.8 percent).

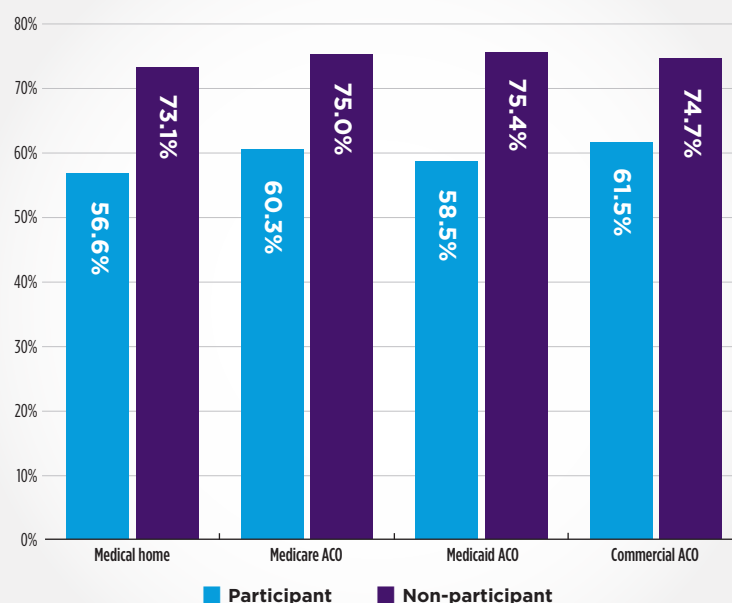
## Payment methods and care delivery models

Figure 9 shows how FFS revenue share differs depending on whether physicians were in practices that participated in a care delivery model. Across all types of delivery models in 2024, FFS revenue shares were significantly lower among participants than non-participants. Physicians in practices that were accredited as a medical home had 56.6 percent of revenue from FFS compared to 73.1 percent for

those who were not – about a 17 percentage point difference. This difference was approximately 15 percentage points for Medicare ACOs, where the FFS revenue share among participants was 60.3 percent compared to 75.0 percent among non-participants. Similarly, compared to non-participants, the revenue share from FFS was approximately 17 percentage points lower

among participants of a Medicaid ACO, and about 13 percentage points lower for participants of a commercial ACO. Given the overall nature and goal of ACOs, these differences are expected. ACOs are designed to improve the quality of care for patients while reducing costs, and APMs – many of which are designed to achieve the same goal – can be used to accomplish this. Nonetheless, participants of all care delivery models continued to receive more than half of their revenue from FFS, likely because, as noted earlier, many APMs are built off FFS payments.

**Figure 9. Fee-for-service revenue share by medical home and ACO participation (2024)**



Source: Author's analysis of AMA 2024 Physician Practice Benchmark Survey. Physicians that do not know the fee-for-service revenue shares (roughly 20 percent) are excluded from this analysis.

<sup>11</sup> According to the 2023 report by Health Care Payment Learning and Action Network, only 38.2 percent of Medicare Advantage payments in 2022 were based on FFS with no link to quality and value.

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## Conclusion

This Policy Research Perspective examines the recent trends in participation in medical homes and ACOs as well as fee-for-service and alternative payment models by utilizing the 2014 to 2024 waves of the AMA's Physician Practice Benchmark Surveys. In addition, this PRP also examines how care delivery models intersect with whether a practice includes primary care physicians, practice type, and practice ownership.

### **The data also show a shift away from complete reliance on FFS, with more physicians reporting that their practices receive all revenue from APMs.**

In 2024, 25.6 percent of physicians were in practices that were part of a medical home. Participation rates in Medicare, Medicaid, and commercial ACOs, respectively, were 37.6 percent, 28.6 percent, and 40.8 percent. Although participation across all care delivery models had risen consistently through 2022, it stagnated or declined in 2024. Participation in medical homes and commercial ACOs declined by 9 percentage points and 4 percentage points in 2024, respectively. Participation in both Medicare ACOs and Medicaid ACOs showed minimal change from 2022. In all cases, awareness of participation in care delivery models has declined – likely due to the growing proportion of employed physicians who have lower awareness than owner physicians.<sup>12</sup> Because of this decline in awareness, only 53.5 percent of physicians reported that their practice participated in at least one ACO type in 2024, down from 57.8 percent in 2022.

This PRP also shows that there were differences in care delivery model participation across practice characteristics. Physicians in practices with PCPs were more likely to participate in each care delivery

model than those in practices without PCPs (between a 10 to 26 percentage point difference). In addition, physicians in multi-specialty practices were more likely to indicate that their practices belonged to one of the care delivery models than those in solo practices (between a 24 to 30 percentage point difference). The data also show differences across ownership structures, where physicians in hospital-owned practices were significantly more likely to report that their practices participated in each of the care delivery models than physicians in physician-owned practices. These differences ranged from 10 to 17 percentage points.

For payment methods, 82.8 percent and 62.4 percent of physicians were in practices that received at least some payment from FFS and APMs in 2024, respectively. Among APMs, the most prevalent payment methods were bundled payments and pay-for-performance, where 38.5 percent and 37.6 percent of physicians reported that their practices received some payment from those methods, respectively. Less common were capitation (20.3 percent) and shared savings (17.7 percent). As with care delivery models, awareness has declined across all payment methods.

Over the past decade, there has been a slow and gradual increase in the share of practice revenue coming from APMs, despite FFS continuing to be the dominant method of reported revenue share by physicians in practices. In 2024, 67.7 percent of practice revenue reported by physicians came from FFS, with the rest coming from APMs. The data also show a shift away from complete reliance on FFS, with more physicians reporting that their practices receive all revenue from APMs. Unsurprisingly, when looking at the intersection between payment methods and care delivery models, FFS revenue share was significantly higher (between a 13 to 17 percentage points difference) among non-participants than participants in each of the care delivery models. Notably, even among participants of medical homes and ACOs, practice shares of revenue from FFS were well over 50 percent.

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<sup>12</sup> The share of physicians identifying as employees rose from 43.0 percent in 2014 to 57.5 percent in 2024. In contrast, the share of physicians identifying as owners declined from 50.8 percent in 2014 to 35.4 percent in 2024 (Kane, 2025).



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