

Health System Reform INSIGHT



Nov. 22, 2010

Given the new direction for the nation's health system, the AMA has developed *Health System Reform Insight* to help you understand the health system reform legislation and what it means to you and your patients.

Administration hosts meeting with physicians to discuss delivery reforms

Who was there

Leaders of independent practice associations (IPAs), group practices, and state medical and national specialty societies offered a variety of ideas and suggestions to the White House and the Centers for Medicare & Medicaid Services (CMS) during a Nov. 15 meeting about the development of innovative delivery reforms. These groups were invited by the administration to discuss reforms, such as bundled payments, medical homes and accountable care organizations (ACOs). AMA President Cecil B. Wilson, MD, and AMA Board of Trustees Chair Ardis D. Hoven, MD, participated in the meeting on behalf of the AMA.

The meeting was timely, since CMS is drafting a regulatory proposal on the shared savings/ACO program authorized by the Affordable Care Act. The AMA expects it to be released by the end of the year or early 2011. CMS is also preparing its priorities for the newly launched Center for Medicare and Medicaid Innovation (CMMI), which will identify and support a variety of new innovative delivery reforms.

What's the goal

Nancy Ann DeParle, director of the White House Office of Health Care Reform, stated that the goal of the meeting was to engage in a dialogue with physicians involved in innovative delivery reforms to understand their experiences, concerns, challenges and the opportunities in developing and sustaining



Dec. 1

Medicare payments for physician services are scheduled to be cut by 23 percent.

Have something you want to say? AMA President Cecil B. Wilson, MD, is ready to listen. Share your thoughts, concerns and suggestions during [Office Hours](#) with Dr. Wilson, an open and interactive conference call at 7 p.m. Eastern time. [Register today.](#)

Dec. 2

[Register today](#) for the live webinar "Understanding your Medicare choices: Preparing for the 2011 Medicare participation decision" at 6:30 p.m. Eastern time. This is the second time the AMA will host this webinar due to its overwhelming attendance and popularity among physicians the first time.

Dec. 7

Attend "Pathways to success: What physicians need to know about ACOs and the coming revolution in payment practices," an AMA seminar being held from 5:30 to 9 p.m. Central time Dec. 7 at the Omaha Marriott in Omaha, Neb.

Dec. 8

Attend "Pathways to success: What physicians need to know about ACOs

physician-led reforms.

The feedback

Participants emphasized that the administration cannot and should not adopt a "one-size-fits-all" approach as it drafts regulations to implement the shared savings and ACO provisions of the health reform law and establishes the CMMI. For example, while some argued that they are prepared to accept capitation payments as an ACO, others stated that they were not, emphasizing that there must be a range of new payment methods offered.

The administration heard from individuals representing a broad range of specialties and practice types, including several large group practices that participate in the CMS Physician Group Practice demonstration program, leaders of existing IPAs delivering integrated care, physicians involved in the Medicare Acute Care Episode demonstration program, and representatives of specialty and state medical associations. These groups discussed their unique experiences in delivery reform and the significant barriers they have faced.

Some impediments that were raised included:

- The continual threat of Medicare physician payment cuts
- Inadequate payment rates from Medicare and Medicaid overall
- The lack of timely and adequate quality data
- Existing physician antitrust enforcement
- Fraud and abuse laws that prevent collaboration among physicians and hospitals
- Lack of support from payers
- The inability to raise sufficient capital to invest in the necessary infrastructure for delivering more coordinated care

The AMA and others stressed that the majority of physicians are in practices of four or fewer, so the administration must provide flexibility as well as resources to assist with the transition.

Despite the obstacles, several large group practices and IPAs discussed their success in delivering integrated care to their patients through significant leadership and working directly with key stakeholders in their own communities. For example, several IPAs discussed how they have created

and the coming revolution in payment practices," an AMA seminar being held from 6 to 9 p.m. Central time Dec. 8 at the Marriott West Des Moines Hotel in West Des Moines, Iowa.

Dec. 31

From mid-November through Dec. 31, physicians will have their annual opportunity to review and perhaps change their participation status with the Medicare program.

Jan. 1

Medicare payment cuts for physician services increase to 25 percent unless Congress intervenes.



[AMA comments on ACA implementation regulations](#)

[Investments in disease prevention and wellness initiatives under the Affordable Care Act](#)

[New HHS Web portal to help consumers buy health insurance](#)

[AMA summary and analysis: 2011 Medicare Physician Payment Proposed Rule](#)

[Pathways for physician success under health care payment and delivery reforms](#)

[How reform law integrity provisions impact your practice](#)

[Medicare payment adjustments made for 2010](#)

[Independent Payment Advisory Board](#)

networks of small, independent physician practices that are working successfully with their local hospitals to provide efficient, coordinated care.

CMS' approach and plan

In his remarks, CMS Administrator Donald Berwick, MD, emphasized that physicians are critical to ensuring the success of delivery reform. He stated that CMS will not pursue a "one-size-fits all" approach, and that he will continue to engage physicians to better shape the administration's implementation policies. Dr. Berwick also noted that on Nov. 12, CMS released [a request](#) (PDF) for information on the shared savings/ACO rule that specifically seeks information on how to enable solo- and small-group practices to participate in and lead in the shared savings/ACO program. Visit www.ama-assn.org/go/paymentpathways for more information about AMA advocacy on ACOs and other delivery reforms included in the Affordable Care Act.

AMA establishes new policy for ACOs; seminars set for Nebraska, Iowa

During the Interim Meeting of the AMA House of Delegates earlier this month, the AMA set [new policy](#) for the development and operation of accountable care organizations (ACOs), an emerging model of patient care designed to provide high-quality patient care in an efficient manner.

The AMA's new policy contains principles emphasizing that ACOs must be physician-led, place patients' interests first, ensure voluntary physician and patient participation, and enable independent physicians to participate.

Learn more about ACOs and other new payment and delivery models by attending "Pathways to success: What physicians need to know about ACOs and the coming revolution in payment practices," an AMA seminar being held in various cities around the country. Participants at these seminars will hear from national and local experts who have had varied—and successful—experiences with the new payment models.

Upcoming seminars are scheduled from 5:30 to 9 p.m. Central time Dec. 7 at the Omaha Marriott in Omaha, Neb., to be presented in conjunction with



[New payment and delivery reform models](#)

[Overview of major provisions relating to coverage](#)

[Taxes and credits in the health system reform law](#)

[Major Medicare savings under health reform legislation](#)

[Health reform law raises GPCIs](#)

[How health system reform affects patients](#)

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the Nebraska Medical Association, and from 6 to 9 p.m. Central time Dec. 8 at the Marriott West Des Moines Hotel in West Des Moines, Iowa, to be presented in conjunction with the Iowa Medical Society. Register today; visit the [AMA website](#) and click on "Payment Models Seminars."

The AMA also is planning to hold a seminar Feb. 16 in Portland, Ore., to be presented in conjunction with the Oregon Medical Association. Watch future issues of *HSR Insight* for details.

The seminars are open to physicians and their office employees, as well as nonphysician staff members of organizations represented in the AMA House of Delegates. There will be significant time during both seminars for interactive discussions, questions and networking. Space is limited, so register today. Continuing medical education credit is available for participating in the seminar series.

The American Medical Association is accredited by the Accreditation Council for Continuing Medical Education to provide continuing medical education for physicians.

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Feedback

If you have specific comments on this edition of *Health System Reform Insight* simply reply to this message. For more general feedback on *Health System Reform Insight*, send an e-mail to hsr@ama-assn.org to alert the editor of your comments and concerns.

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