Whereas, Recent presentations by CMS Secretary Verma have stressed moving Medicare Shared Savings ACO’s to reduce the number of upside only Medicare Shared Savings ACO’s (MSSP ACO’s) by moving them to a two-track model and reducing the length of time that existing MSSP ACO’s can remain in the program to two years and lowering their share of savings to 25%. Telemedicine initiatives were offered as a way to offset the risks. The rationale is that new risk based ACO’s will be able to move to Value Based Care as outlined in MACRA. The risk based ACO’s will have to remain in the program for 5 years starting in 2020; and

Whereas, Given that 15 of the 18 Next Gen (risk based ACO’s) have prior MSSP experience and are huge organizations with prior experience with integration and cost reductions, the fact that they only saved 1.7% is alarming. Eliminating the MSSP prevents new organizations from acquiring the experience in a lower risk environment. (Infrastructure costs, etc. for an ACO). It reinforces the fact the smaller organizations and private practitioners will have no access to APM’s and the bonuses related to Value Based Care; and

Whereas, Recent results from CMS MSSP ACO’s viewed on the whole do not show consistent “significant savings” for many organizations, and many others show no savings. Thus, making the losses associated with the move to involve “downside risk” even more likely and the pathway more treacherous. (CMS Report 2017). This will limit the number of risk-based organizations to only very large previously integrated and well capitalized healthcare systems; and

Whereas, Recent publications (NEJM 9/5/18), four which have done subgroup analyses of the results, have shown a differential in savings when MSSP ACO’s owned by physicians are reviewed versus hospital integrated systems. The physician owned systems have substantially greater savings; and

Whereas, Risk based ACO’s require prior ACO experience, organizational infrastructure, linked health information technology (HIT), and business resources. Large amounts of capital are necessary to form and run a given system. The necessary funds are only available to large well capitalized health care systems. These requirements create a vulnerability which will lead to further consolidation of medical practices given the need for capital needed to allow them to participate in Advance Payment Models (APM’s). Thus, it will also expose integrated healthcare systems to takeovers by financial firms or other larger systems; and
Whereas, consolidation of physicians’ practices has not led to greater savings. Further consolidation forced by eliminating the MSSP ACO program may cause some systems to drop out of the MSSP program. This will likely further raise costs while making it impossible for smaller groups of physicians and rural physicians to participate in ACO’s. The opportunity to participate in value-based care (APM’s) to receive bonuses in MACRA will not be accessible. Elimination and/or modification of MIPS makes the opportunity for bonuses based on superior physician performance impossible; therefore be it RESOLVED, That our American Medical Association advocate for the continuation of upside only risk Medicare Shared Savings ACO (MSSP ACO) program as an option from the Centers for Medicare and Medicaid Services, particularly for physician owned groups (New HOD Policy); and be it further RESOLVED, That our AMA develop educational resources and business analytics to help physicians complete due diligence in evaluating the performance of hospital integrated systems before considering consolidation. Specific attention should be given to the evaluation of transparency on past savings results, system finances, quality metrics, physician workforce stability and physician job satisfaction, and the cost of clinical documentation software (Directive to Take Action); and be it further RESOLVED, That our AMA evaluate the characteristics of successful physician owned MSSP ACOs and participation in alternative payment models (APMs) to create a framework of the resources and organizational tools needed to allow smaller practices to form virtual ACOs that would facilitate participation in MSSP ACOs and APMs. (Directive to Take Action)

Fiscal Note: Not yet determined

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