



American Medical Group Association

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The Best Medicine *in* America.  
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May 11, 2011

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Administrator  
Centers for Medicare and Medicaid Services  
7500 Security Boulevard  
Baltimore, MD 21244-1849

**Re: Medicare Shared Savings Program: Accountable Care Organizations**

Dear Dr. Berwick:

On behalf of the American Medical Group Association (AMGA), I want to thank you and the Centers for Medicare and Medicaid Services (CMS) for your efforts in drafting the proposed rule (Proposed Rule) for the Medicare Shared Savings Program, better known as Accountable Care Organizations (ACOs). We believe ACOs have the potential to transform the delivery system from a volume-based, fragmented system to one that focuses on care coordination, technology, team-based care, and improved outcomes. We look forward to working with you and CMS as the Proposed Rule goes through the regulatory process.

AMGA will submit detailed comments to CMS on the Proposed Rule. We write today, however, to express our serious concerns over the direction of the Proposed Rule. On its face, it is overly prescriptive, operationally burdensome, and the incentives are too difficult to achieve to make this voluntary program attractive. As you know, most policy experts believe multi-specialty medical groups are best poised to become ACOs in the short term. However, in a survey of AMGA members, 93 percent said they would not enroll as an ACO under the current regulatory framework.

Our membership's concerns were many and focused on issues such as the risk sharing requirement, static risk adjustment, retrospective attribution, quality measurement requirements, the Minimum Savings requirements and others. Without substantial changes in the Final Rule, we fear that very few providers will enroll as ACOs and that CMS and the provider community will miss the best opportunity to inject value and accountability into the delivery system.

Further, if ACOs are not successful, we are concerned that the only alternative to future delivery system "reform" will be draconian cuts across the provider spectrum. Such an approach would not change the way we deliver health care and ironically, would likely result in greater volumes of services provided. By developing the regulatory framework for a viable ACO program, CMS will create the incentive for providers to integrate, invest in technology and teams, and coordinate care. Research demonstrates that these attributes result in better outcomes at lower cost.

Donald M. Berwick, M.D., M.P.P.

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Again, we thank CMS for its efforts on drafting the ACO Proposed Rule and we look forward to working with you to develop an ACO program that can transform the delivery system.

If you have any questions or would like additional information, please feel free to contact me or Chet Speed, at (703) 838-0033 ext. 364 or by email at [cspeed@amga.org](mailto:cspeed@amga.org).

Sincerely,

A handwritten signature in black ink, appearing to read "Donald W. Fisher". The signature is fluid and cursive, with a large initial "D" and "W".

Donald W. Fisher, PhD, CAE  
President and CEO  
American Medical Group Association

cc: Richard Gilfillan, M.D., Acting Director, Center for Medicare and Medicaid Innovation  
Jonathan Blum, Deputy Administrator and Director, Medicare Management  
Terri Postma, M.D., Medical Officer, Centers for Medicare and Medicaid Services