



ACO Development: Policy meets Reality

**The St. Regis Washington, D.C.
923 16th & K Streets, N.W., Washington, D.C. 20006**

March 30, 2011

8:00 a.m. Continental Breakfast

8:30 a.m. Introduction: Can the US Moderate Health Spending Through Delivery System Reform?

Presenter: Stuart Altman, Ph.D., Professor of National Health Policy, Brandeis University

8:45 a.m. Federal ACO Rules: Implications for Provider Systems

This session will examine the proposed rules for Medicare's new shared savings programs through the lens of provider systems' experience with Medicare's Physician Group Practice (PGP) Demonstration. By discussing the PGP program's key successes and challenges, the session will highlight the needed changes in patient attribution methods, risk adjustment, and shared saving formulas proposed for the PGP's second phase. Following this analysis, two large delivery systems will analyze the strategic issues posed by the new ACO program in light of their own business environments, including the implications for Medicare Advantage, commercial contracts, and other federal and state opportunities.

Presenter: Thomas Graf, M.D., Chairman, Community Practice, Geisinger Health System

Discussants: Michael Hillman M.D., M.B.A., Chief Medical and Quality Officer, Summa Health System
Ira Hollander, President, North Texas Specialty Physicians

10:15 a.m. Break

10:30 a.m. How Will ACO Beneficiary Assignment Work and Can it Work?

For ACOs to be "accountable" for the health of a patient population, they need to know which enrollees are included in that population. This session will discuss different ways in which payers will attribute patients to providers, and how these algorithms might affect referral patterns and consumer choice.

Moderator: Christopher Tompkins, Ph.D., Associate Professor and Director, Institute on Healthcare Systems, Brandeis University

Discussants: Barbara Walters, M.D., Senior Medical Director, Dartmouth-Hitchcock Medical Center
Matthew Day, Senior Director, Provider Financial Management, Blue Cross Blue Shield of Massachusetts
Joe Baker, President, Medicare Rights Center

12:00 p.m. Break & Lunch

12:15 p.m. ACO and Shared Savings: Implications for Hospitals and Hospital Markets

Under shared-savings models that Medicare proposes for its ACO program, health systems will be encouraged to expand preventive care and reduce unnecessary hospital admissions. In most regions, hospitals control most of the administrative infrastructure and capital needed to make systemic changes in health care delivery. Therefore, hospitals will be partners or leaders in ACO development, but many believe that long-term savings will require reducing hospital utilization. In the short run, most hospital costs are fixed and profitability depends on meeting volume targets. A key question is whether hospital-centric ACOs can benefit financially from shared savings without replacing lost admissions. If they cannot, this has implications for potential Medicare savings, private insurance rates, and the stability of local hospital markets.

Presenter: Jeff Goldsmith, Ph.D., President, Health Futures, Inc.

Moderator: Stuart Altman, Ph.D., Professor, Brandeis University

Panelists: Nancy Foster, Vice President, American Hospital Association
Susan DeVore, President and CEO, Premier Healthcare Alliance
Susan DeSanti, Director of Policy Planning, Federal Trade Commission

2:00 p.m. Meeting Adjourns