Where are we and how did we get here?
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Quality: Although US costs are highest …the quality of care is far from optimal

• RAND: Americans get evidence-based care only 55% of the time
• IOM: Up to 400,000 Americans die each year due to avoidable medical errors
• CDC: 2 million acquire nosocomial infections annually; 90,000 die
• WHO: US is 37th in the world

We have a shrinking primary care workforce

- The American Recovery and Reinvestment Act of 2009 (HITECH Act)
- Patient Protection and Affordable Care Act of 2010 (ACA)
- Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)

The way we practice and the way we are paid is changing quickly and dramatically: “Volume to Value”

The American Recovery and Reinvestment Act of 2009 (ARRA/HITECH Act)

- Large incentives to computerize all of healthcare ($20B)
  - Funded EHR conversions nationally
  - Needed to demonstrate ‘Meaningful Use’ of EHRs
  - Now Meaningful Use phase 2 and 3
- Purpose: Measurement of care delivered

Patient Protection and Affordable Care Act of 2010

- Insurance reform and coverage expansion
- Focus on prevention, quality and safety
- Physician payment changes (overvalued procedures)
  - New Delivery System Models and Alternative Payment Methods (CMMI)
    - Accountable Care Organizations
    - Bundled payments
    - Patient-centered Medical Homes (PCMH)
Medicare Access and CHIP Reauthorization Act of 2015 (MACRA)

Bipartisan support repealed the SGR and established new payment methodologies

- Merit-based Incentive Payments (MIPS)
  - Built on FFS payment methodologies
    - Combines quality reporting (PQRS, MU, VBM etc.)
    - Incentives and penalties

- Advanced Alternative Payment Methods (aAPMs)
  - Built on risk-adjusted capitation with financial risk held by the systems (AKA population health)
    - Accountable Care Organizations
    - Bundled payments
    - Patient-centered Medical Homes (PCMH)

How will performance be measured?
Measures of impact and outcome:
The Triple Aim

The triple aim performance measures
Predicting the Future: HHS Secretary Burwell NEJM, March 2015

Growth of Accountable Care Organizations


Quadruple Aim: Improved professional satisfaction
The Coming Battle over Shared Savings — Primary Care
Physicians versus Specialists
Robert Gerber, M.D., and Ira N. Longo, M.D.

For many traditional Medicare beneficiaries, primary care-based management, such as shared savings and quality of care, high-priced drugs and hospitals, have yielded unsustainable costs. Accountable care organizations (ACOs) that aim to reduce these costs have been adopted to manage care more efficiently.

The flow of funds will be determined on the basis of the organizational structure, the relative power of PCPs and specialists, the specialists' demonstration of their value, and the organization's conception of its mission.