

## **Media Statement**

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### **Contact:**

Kris Deutschman  
916-444-8801 (o)  
916-425-7174 (m)  
kris@kdcgroup.com

## **President of California's Physician Groups Says New Federal ACO Regulations are On Right Track**

### **Statement from Donald Crane President and CEO California Association of Physician Groups**

"The California Association of Physician Groups (CAPG) and the 60,000 physicians we represent support the efforts by the Centers for Medicare and Medicaid Services to pursue an Accountable Care Organization (ACO) approach to serving the Medicare population and beyond. These proposed regulations herald an exciting and promising new day for seniors -- the promise of higher quality, coordinated care supplanting fragmented, wasteful, suboptimal fee for service care. The proposed dual tract payment methodology is almost precisely the sensible approach that CAPG advocated. It will allow the more sophisticated ACOs, like those in the CAPG membership, to take on downside risk and upside gainsharing opportunity, which will create the stronger incentives necessary to bend the cost curve down and the quality curve up. For example, virtually all CAPG members are providing high quality care to Medicare seniors under a prepayment model resulting in hospital utilization rates that are approximately 39 % lower than is currently experienced in the Original Medicare population. We are ready, willing, and able to deliver the same high quality, highly efficient care to the Original Medicare population.

"In California, the necessary networks of physicians and the infrastructure of coordinated care - more than sufficient to reduce costs to CMS and to improve quality to the beneficiaries – are already in place. At initial review the regulations are on the right track and our physician groups are ready to do their part to make sure ACO's succeed."

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### **About CAPG**

The California Association of Physician Groups (CAPG) represents groups that employ or contract with nearly 60,000 California doctors and provide care to 15 million Californians. CAPG is committed to improving health care for Californians and supports a progressive and organized system of health care delivery, which focuses on coordinated treatment plans and comprehensive coverage, including the most current preventive services and exams. This allows physicians to focus on illness prevention and proactive management of patients in order to maintain their optimum level of health. [www.capg.org](http://www.capg.org).