



*The Voice of Accountable Physician Groups*

## **Capitated Coordinated Care: The Right Model for Seniors with Chronic Conditions**

### **CAPG: Who We Are**

CAPG is the largest professional association in the country representing physician organizations practicing capitated, coordinated care. CAPG members include over 190 multi-specialty groups and independent practice associations in 38 states, Washington, D.C. and Puerto Rico. CAPG represents a proven model that delivers high quality patient-centered, coordinated care at the lowest cost.

The CAPG member model – prepaid capitation with clinical accountability and robust quality performance standards – is well suited to bring better care to those with chronic conditions. The payment model promotes an investment in the healthcare infrastructure needed to identify, treat, and prevent chronic disease. The delivery model emphasizes team-based primary care with a focus on slowing the progression of chronic disease, ensuring communication between all aspects of the care team, reconciling medications to prevent harmful readmissions, and providing the right care in the most appropriate setting. For patients with chronic conditions, who often take multiple medications and see various specialists in addition to their primary care provider, this model is especially critical. We call on the workgroup to expand and promote this model.

### **Summary of CAPG Recommendations: Proliferate Capitated Coordinated Care**

- 1. Encourage capitated payments to physician organizations in Medicare Advantage.** CAPG agrees with Congress and the Administration that risk-based coordinated care offers the best value for Medicare seniors. Consistent with that view, CAPG encourages the workgroup to enact incentives for risk-based contracts in MA equal to the incentives available in Traditional Medicare. We ask that the Committee consider how policies like coding intensity and risk adjustment impact capitated providers and the chronically ill patients we treat.
- 2. Create a “Third Option” for Capitated Payments to Physician Organizations in Traditional Medicare.** The Medicare accountable care organization (ACO) program has begun to create an “on ramp to risk” for providers in Traditional Medicare. We encourage the workgroup to consider several improvements to strengthen the ACO program for the long term. We also encourage the workgroup to consider alternatives to the ACO program for organizations that want to pursue global capitation in Traditional Medicare. The “Third Option” is our concept for a delivery model that goes a step beyond ACOs and yet not fully to Medicare Advantage. Defining features include empowering beneficiaries to select the best care option for them, incentives to seek care from a defined care team, and capitated payments to physician organizations for a defined population of patients.
- 3. Enhance the Development of Advanced Primary Care Capabilities.** Advanced primary care is a foundational element to a high functioning delivery system, particularly for patients with chronic conditions. We encourage the Committee to consider ways in which optimal primary care capabilities improve the overall health and well-being of seniors with chronic conditions.

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