

# Practice Assimilations: What Can You Do?

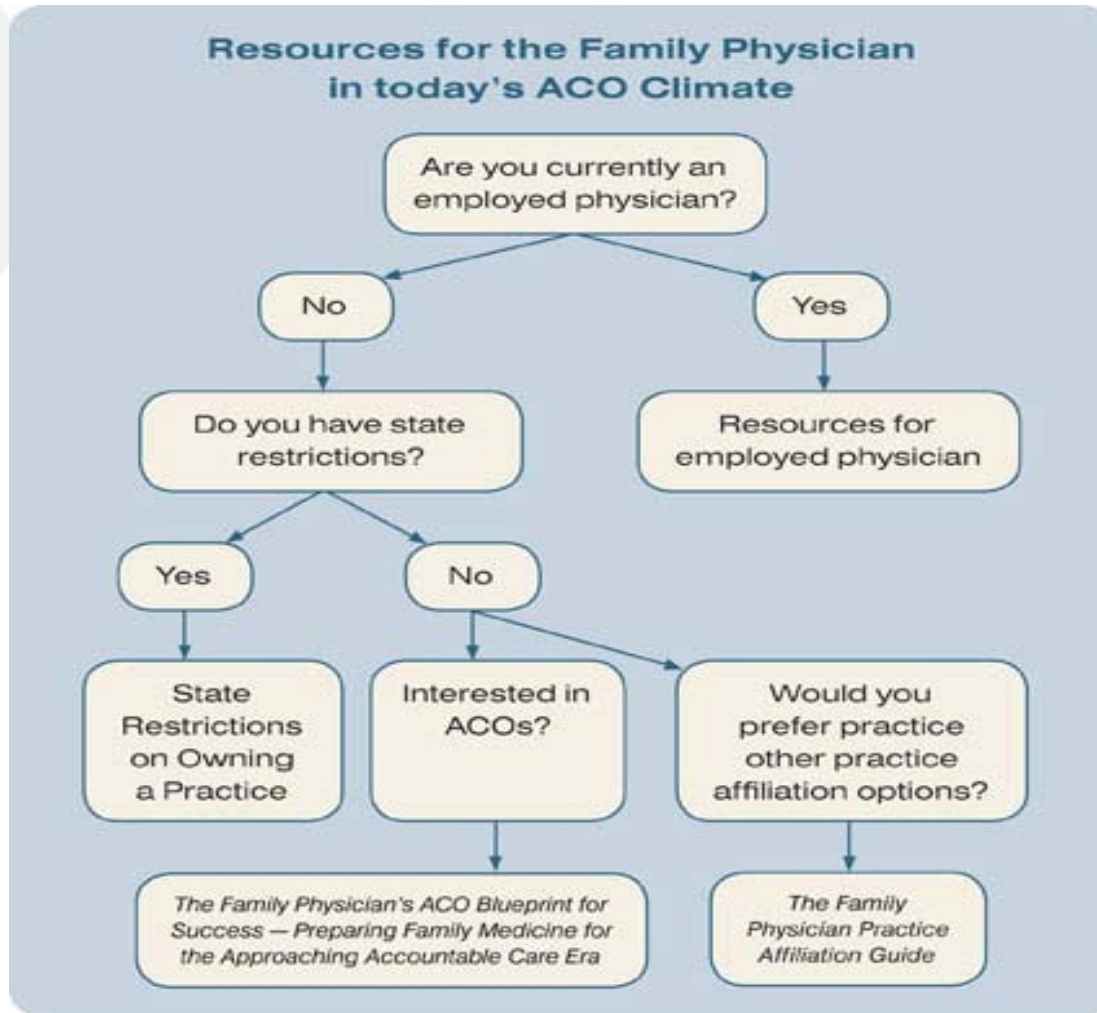
Options to selling a practice, practice affiliations  
and Accountable Care Organizations (ACOs).



AMERICAN ACADEMY OF  
FAMILY PHYSICIANS

STRONG MEDICINE FOR AMERICA

# To Sell or Not To Sell, that is the question...





# What is an ACO?

According to Dr. Harold Miller,  
“An Accountable Care  
Organization is an extension of a  
strong primary-care based health  
care delivery system that provides  
better, more affordable care.” The  
core of an Accountable Care  
Organization is effective primary  
care..”



# Practice Affiliation

Successful operation of the ACO or affiliation would include the following:

- Coordination and care management (both personal and population-based)
- Comprehensive patient-/family-centered care
- Evidence-based/evidence-informed care
- Cost-effectiveness and efficiency
- Quality and safety
- Enhanced continuity and access to care



# Joint Principles for Accountable Care Organizations

The AAFP, the American Academy of Pediatrics, the American College of Physicians and the American Osteopathic Association -- released their

[Joint Principles for Accountable Care Organizations.](#)

According to the document, an ACO should provide accessible, effective, team-based care based on the Joint Principles of the Patient-Centered Medical Home. In addition, the ACO principles say an ACO should deliver culturally proficient and patient- or family-centered health care.



# Why Now?

- We have heard this song before
- Stark and anti-trust
- Patient Protection and Affordable Care Act (Healthcare Reform) requires that the CMS create an ACO by January 2012.



# Why Would a Practice Consider Selling to a Hospital?

4 Reasons often given for selling:

- Financial issues
- Increasing Complexity of Practice
- Benefits from PCMH and EMRs
- No market to sell practice



# Why Not Sell to a Hospital?

What are some of the concerns of selling the practice and becoming an employed physician to a hospital?



# Are You Going to Become an Employed Physician?

What are some considerations?



# How Much is the Practice Worth?

## Why pay to assess the value?

- Why?
- When?
- By Whom?

For additional information-

<http://www.aafp.org/online/en/home/practicemgt/mgmt/closing/articlesonfindingvalueofpractice.html>



# Contracts

Start considering options as soon as possible, hire your own attorney for both employment and the sale of the practice contracts.

For additional information-

<http://www.aafp.org/online/en/home/practicemgt/specialtopics/contracts.html>



# What Can You Do to Better Position Yourself?

Maybe you do not want to sell, so what should you do?

What areas should you start working on to better position your practice?



# Money Issues

The old adage is true: you can't manage what you can't measure. Start by getting a handle on what's coming in and going out. Then set a goal for making the money work for you.



# Be Accountable!

Consider what the first word in ACO actually means. To be successful, we need to be accountable and to do that we need to measure, but what?



# What Can You Do?

Accountable care absolutely must be about improving and maintaining the health of a population of patients and not just controlling costs. It must be about proactive and preventative care and not reactive care. It must be about outcomes and not volume or processes. It must be about leveraging the value of primary care and the elements of the **Patient-Centered Medical Home.**



# Be Involved

Get involved in the medical community, what is going on in and how will it impact you?



# Leadership Champion

For successful change process,  
including the Medical Home it  
requires someone to lead it.  
Otherwise you will just get lost in  
the process.



# Consider All Options

- Look before you leap.
- Weigh all options before deciding.
- What is going on in the community?
- Legal advice?



# What is the AAFP Doing?

- Advocacy
- Chapter Collaboration project
- 2 papers
- Resources on website
- Articles and providing relevant material to members



# Chapter Collaboration

- 6 Chapters working with the AAFP
  - Development of 2 papers
  - Additional resources for website
  - Collection of resources to be sent to Chapters for their use.



# New to AAFP

- The Family Physician Practice Affiliation Guide.
- The Family Physician ACO Blueprint for Success.
- Additional resources on the website.



# Advocacy

- AAFP Accountable Care Organization Task Force Report
- Joint Principles for Accountable Care Organizations
- Patient-Centered Primary Care Collaborative Center for Accountable Care
- Responding to CMS



# Stay Tuned

Healthcare Reform is a moving target right now. Keep monitoring your Chapter and the AAFP for new information.

# Helpful AAFP Links

## ACO Task Force

[http://www.aafp.org/online/etc/medialib/aafp\\_org/documents/policy/private/healthplans/payment/acos/acotfreport.Par.0001.File.dat/AAFP-ACO-Report-NoRecs-20091010.pdf](http://www.aafp.org/online/etc/medialib/aafp_org/documents/policy/private/healthplans/payment/acos/acotfreport.Par.0001.File.dat/AAFP-ACO-Report-NoRecs-20091010.pdf)

## Center for Healthcare Quality & Payment Reform

<http://www.aafp.org/online/en/home/practicemgt/mgmt.html?navid=practice+management>  
advocacy

<http://www.aafp.org/online/en/home/policy/federal/issues/reform.html>

The development of resources on how healthcare reform has impacted the practice

<http://www.aafp.org/online/en/home/practicemgt/reform.html>

## Medical Home

<http://www.aafp.org/online/en/home/membership/initiatives/pcmh.html>

## Resources on selling a practice

<http://www.aafp.org/online/en/home/practicemgt/mgmt/selling.html>

## Considerations when closing or moving a practice

<http://www.aafp.org/online/en/home/practicemgt/mgmt/closing.html>

## Financial resources

<http://www.aafp.org/online/en/home/practicemgt/specialtopics/financialissues0.html>

## Leadership development

<http://www.aafp.org/online/en/home/practicemgt/specialtopics/leadershipdevelopment.html>

## Staff resources

<http://www.aafp.org/online/en/home/practicemgt/specialtopics/stafftrainingandresources.html>



# Wrap-up

For additional information consider the following:

<http://www.aafp.org/online/en/home/practicemgt/mgmt/closing.html>

<http://www.aafp.org/online/en/home/practicemgt/mgmt/selling.html>