



ISMA
 INDIANA
 STATE
 MEDICAL
 ASSOCIATION

December 1, 2010

322 Canal Walk
 Indianapolis, IN 46202-3268
 (800) 257-4762
 (317) 261-2060
 Fax (317) 261-2076
 www.ismanet.org

Ardis Hoven, M.D.
 Chair, AMA Board of Trustees
 American Medical Association
 515 North State Street
 Chicago, IL 60610

Re: Accountable Care Organizations (ACOs)

Dear Dr. Hoven:

At our 2010 annual meeting, the Indiana State Medical Association (ISMA) House of Delegates referred to our Board of Trustees (for action) the following Resolution 10-25:

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Rhonda Sharp, M.D.

Kathleen Delnay, M.D.

Michael Sha, M.D.

(Young Physician Society)

Mary Baker, M.D.

(Resident and Fellow Society)

Paul Haste

(Medical Student Society)

Resolved, that the ISMA request the AMA support legislation that mandates the boards of directors of each accountable care organization consists of at least 50 percent physicians who own their own practice, and not physicians who are employed either directly or indirectly by any hospital system.

For context, a copy of the full resolution is enclosed for your reference.

At its November 14, 2010 meeting, the ISMA Board of trustees discussed the fact that the AMA's Council on Medical Services is preparing comments on ACOs. As a result, the Board elected to send you this letter in support of the above-referenced House of Delegates resolution addressing the governance of ACOs.

Please contact me at (800) 257-4762 if you have any questions.

Yours very truly,

Julie D. Reed
 Legal Counsel

Enclosure

Executive Vice President
 James McIntire

*The largest physician organization in Indiana,
 advocating for the well-being of doctors and their patients.*

RESOLUTION 10-25

ACCOUNTABLE CARE ORGANIZATIONS (ACOs)

Introduced by:

Don J. Wagoner, M.D.

Referred to:

REFERENCE COMMITTEE III

Whereas, Congress gave Medicare leeway to give health care providers who curb Medicare spending a share of the savings as long as they reach quality and cost control targets; and

Whereas, Medicare has plans to pilot test and implement accountable care organizations in which networks of providers must be created; and

Whereas, it appears hospitals will have the major advantage by having the administrative organization that will be required by these accountable care organizations; therefore, they will have a conflict of interest when it comes to negotiating with independently practicing physicians; and

Whereas, a significant number of physicians, on the order of 70 percent, are still in solo or small groups in this country; and

Whereas, the governance of accountable care organizations are just now being created; therefore, be it

RESOLVED, that the ISMA request the AMA support legislation that mandates the boards of directors of each accountable care organization consist of at least 50 percent physicians who own their own practice, and not physicians who are employed either directly or indirectly by any hospital system.