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America's Physician Groups Applauds CMS Decision to Design, Implement Medicare Direct Provider Contracting Model

Today, [America's Physician Groups \(APG\)](#) applauds the [Centers for Medicare & Medicaid Services' \(CMS\)](#) recent move to collaborate with healthcare providers and other stakeholders to design and implement a direct provider contracting model within traditional Medicare. Such a model would allow physician groups to contract with CMS to receive a fixed per-beneficiary per-month payment for Medicare patients who actively select to participate. Further, it would allow physicians to earn performance-based incentive payments based on their spending and quality outcomes.

"Properly aligning physician incentives and expanding access to additional alternative payment models is absolutely critical when addressing the many major challenges facing our nation's healthcare system," said Don Crane, President and CEO of APG. "We are excited that, recognizing this, CMS has called for additional input to help expand access to capitated models in Medicare."

America's Physician Groups represents nearly 350 physician organizations in 44 states, the District of Columbia, and Puerto Rico. For decades, APG members have practiced in innovative models of care that coordinate patient services, improve quality, and keep costs down.

"As part of our commitment to taking responsibility for America's health, APG has developed our '[Third Option](#)' accountable care model that allows doctors to receive prospective capitated payments directly from CMS," said Crane. "APG has worked long and hard to bring a truly capitated, physician group-led model to Medicare and we see this recent announcement by CMS as a critical step forward in achieving that goal."

APG's Third Option was drafted to address the limitations of the fee-for-service accountable care organization (ACO) program and features prospective, capitated payments to physician organizations, robust quality measures, and increased beneficiary engagement. The model enjoys [support](#) among Congressional healthcare leaders, and APG is committed to continue working with both Congress and the Administration to test and implement this and other value-based models.

About America's Physician Groups

America's Physician Groups is the nation's leading professional association for accountable physician groups, composed of approximately 300 medical groups and independent practice associations (IPAs) across 44 states, the District of Columbia and Puerto Rico. America's Physician Groups' members operate under a capitated, coordinated care model that is the essence of the nation's health reform movement from volume to value. Our [Colloquium 2018](#) will be held October 10-12, 2018 in Washington, DC. Learn more at www.apg.org.

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