For immediate release

1,800 Mich. doctors launch effort to improve health care for Medicare patients

Additional details one of nation’s largest ACOs, developed by U-M Health System

ANN ARBOR, Mich. -- More than 1,800 Michigan physicians will work together to tackle the challenge of providing better medical care and slowing the growth of health costs, in a new effort that will help them care for 81,000 of their Medicare-enrolled patients.

The new organization is a joint venture of the University of Michigan Health System and eight other Michigan physician organizations. Together, they have launched a new accountable care organization, or ACO, that includes members of nine large physician groups across the Lower Peninsula.

One of the largest ACOs in the country, it is called the Physician Organization of Michigan ACO, or POM ACO. It is one of 106 new Medicare Shared Savings Program ACOs approved by the federal Centers for Medicare and Medicaid Services.

POM ACO focuses on the triple goal of better care for patients, better health for entire populations, and lower health care costs. The physicians will share in the savings to Medicare if the costs for caring for the patients stay below the national growth rate, and quality is improved.

The U-M Faculty Group Practice, which includes the physicians who practice at UMHS, has been a leader in the ACO movement since its participation in a Medicare demonstration project that began in 2005. That effort served as a prototype for ACOs under federal health care reform. UMHS is supporting the startup costs for the new organization.

All patients whose doctors are participating in POM ACO will continue to see their regular doctors and also may have access to new programs or services. Each will receive a letter in coming days explaining POM ACO and giving contact information.

“The state of Michigan has been a leader in health care quality efforts. Many have focused on improving care and containing costs for patients with private insurance, but this new ACO focuses specifically on traditional Medicare,” says David Spahlinger, M.D., executive director of the U-M FGP and the chief executive officer of POM ACO. “Our member physicians are ready to take their already strong quality-improvement efforts and focus them on improving the care of the traditional Medicare patient.”

The new ACO leverages U-M’s experience, including its year of running a Pioneer ACO, which has just begun its second year of coordinating the care of 25,000 Medicare participants together with the IHA physician group.

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“POM ACO allows us to strengthen our relationship with physicians across the state, and bolster our position as one of the largest and most highly regarded population health organizations in the country,” says Ora Hirsch Pescovitz, M.D., executive vice president for medical affairs at the University of Michigan and CEO of UMHS. “This is part of our statewide mission, and our goal of using our knowledge to improve care through new practices, policies and partnerships. Additionally, it builds on several years of our experience and demonstrated success developing ACO models.”

POM ACO grew out of discussions with physician groups around the state. Many wanted to get involved in the ACO movement, but did not have the resources to do so alone.

The other physician groups with members in POM ACO are:

- Advantage Health/Saint Mary’s Care Network
- Crawford Mercy Physician Hospital Organization
- Lakeshore Health Network
- Oakland Southfield Physicians
- Olympia Medical Services
- Physicians’ Organization of Western Michigan (POWM)
- United Physicians
- Wexford Physician Hospital Organization

Advantage Health, Lakeshore, Crawford and Wexford are all affiliated with the Trinity Health System, and serve the western and northern parts of lower Michigan. United Physicians, which includes most physicians who practice at the Beaumont hospitals, is the largest physician organization in Michigan. POWM was U-M’s partner in the formation of the Physician Organization of Michigan in late 2010.

Says Paul Ponstein, D.O., executive medical director of POM ACO, “Accountable care is increasingly seen by physicians across the nation as an opportunity to improve medical care for the people we serve at a lower cost. Linking the leadership of these excellent physician organizations with UM's ACO knowledge and expertise has huge potential for Michigan's Medicare patients.”

Says Spahlinger, “By forming this ACO with members of nine physician groups, we can drive positive change in the care of Medicare beneficiaries with physician leaders steering the effort.”

“POM ACO is a true model of health care innovation; organizing a diverse collection of physician organizations dedicated to improving cost, quality and the patient care experience. Oakland Southfield Physicians is pleased to be part of this team and we are ready to transform health care together,” says Jerome Frankel, D.O., president and medical director of Oakland Southfield Physicians.

"Together with CarePath Partners, our closely affiliated physicians, Advantage Health/Saint Mary's Medical Group comprises nearly one-third of this new ACO. We are thrilled with the opportunity to work with the University of Michigan to gain greater insights into advanced patient care in this new model. We believe this will provide us with the opportunity to improve care and that this partnership will accelerate learning for all parties,” says Dave Blair, MD, president, Advantage Health/Saint Mary's Medical Group.

“POM ACO participation will facilitate the delivery of high quality, coordinated, cost-effective medicine to our patient population,” says Michael Williams, M.D., President and CEO of United Physicians, Inc., Michigan’s largest physician organization. “Through proactive patient engagement

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and collaborative patient care, this physician led ACO will support physician members and enable them to make better, more educated clinical decisions at the point of care, reduce healthcare costs by eliminating unnecessary and redundant procedures and test, and enhance the overall health of Michigan's Medicare-enrolled population."

For more information about POM ACO, visit [www.pom-aco.com](http://www.pom-aco.com)

For more about U-M’s role in population health management, including the Pioneer ACO and Physician Group Practice demonstration project, visit [www.uofmhealth.org/node/678881](http://www.uofmhealth.org/node/678881)

For more about the Medicare Shared Savings Program visit [www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/index.html](http://www.cms.gov/Medicare/Medicare-Fee-for-Service-Payment/sharedsavingsprogram/index.html)

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