



April 23, 2009

Charlene Frizzera
Acting Administrator
Centers for Medicare and Medicaid Services
Room 445-G
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

Submitted Electronically, Paper Copy to Follow

Dear Ms. Frizzera:

I am writing today on behalf of the American Medical Group Association (AMGA). AMGA represents multispecialty medical groups and other organized systems of care, including some of the nation's largest, most prestigious integrated healthcare delivery systems. The members of AMGA deliver health care to 95 million patients in 49 states. Many of our groups report that they are struggling to unwind longstanding services arrangements by the October 1, 2009, deadline for compliance with revisions to the Stark regulations. Despite their best efforts, they fear they will not be able to complete their work by then. Ironically, in addition to the significant costs of undoing complex, sometimes decades-long services arrangements, there may be resulting negative effects on the efficient and cost-effective provision of patient care at a time when policy makers are calling for greater integration and accountability in the reform of health care delivery.

We appeal to you to consider extending the effective date of the rule until October 1, 2010. An additional year will allow AMGA member groups time to comply as well as to arrange and implement alternatives to assure minimal disruption to patient care and access to the affected services.

Furthermore, we propose that CMS consider establishing a regulatory exemption from certain under arrangements transactions that do not pose a risk of program abuse so that they may continue to take place in multispecialty medical groups and other organized systems of care.

Criteria for this exemption for merit should be accorded to entities which distinguish themselves by delivering high-quality services to patients in the most cost-effective model of care currently available. Such entities should exhibit and perform what MedPAC has characterized as "desired activities." These attributes include the provision of a coordinated continuum of health care services; a willingness to be held clinically accountable for the health status of the community served; continuous striving to improve patient care through measuring, reporting, and use of evidence-based clinical measures and best practices; a stable governance structure; a stable financial structure; a centralized administration; and a quality driven mission statement.

In addition to being in the interest of good public policy, we believe that these desirable attributes outweigh the potential risk of abuse to the Medicare and Medicaid programs, and therefore multispecialty medical groups, and other organized systems of care, should be exempt from the latest Stark revisions that will require significant financial resources, potentially disrupt patient care, and result in the dis-integration of patient care in these medical groups.

If an exception based on the desirable attributes of multispecialty medical groups is not possible at the present time, we respectfully request that the compliance date be pushed out an additional year, so that groups have the necessary time to restructure their services agreements for the affected services.

Thank you for the careful consideration of our requests.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald W. Fisher". The signature is fluid and cursive, with a prominent initial "D" and "W".

Donald W. Fisher, Ph.D.
President and CEO