



January 29, 2016

Mr. David Seltz
Executive Director
Health Policy Commission
50 Milk Street, 8th Floor
Boston, MA 02109

Dear Executive Director Seltz:

Sturdy Memorial Hospital is a 149 bed, acute care community hospital located in Attleboro Massachusetts. The Hospital remains locally controlled guided by Board and Foundation members made up of the residents of the communities we serve. The Hospital primarily serves the residents of Attleboro and 11 surrounding communities as well as residents in neighboring Rhode Island.

Sturdy Memorial Associates is a multi-specialty group practice comprised of 64 physicians located in Attleboro and surrounding towns. Our primary care physicians meet all of the challenging requirements of the National Committee for Quality Assurance (NCQA) Patient-Centered Medical Home (PCMH).

Pursuant to Chapter 224 of the Acts of 2012, the HPC is charged with developing and implementing a voluntary certification program for ACOs. While we agree that this is a worthwhile goal, our primary concern is that this certification will lead to enhanced payments to only those organizations large enough to implement such a strategy, since the formation of an ACO requires significant human and technological resources.

Sturdy Memorial Hospital and Sturdy Memorial Associates recently agreed to become part of the UMASS Medicare Shared Savings ACO. UMASS currently has over 30 employees managing the ACO process. We do not believe we could support this type of investment as a stand-alone ACO in our service area, nor do we believe that the creation of the necessary infrastructure is an efficient use of healthcare dollars. We chose to participate with UMASS on this endeavor to:

- understand and measure any potential benefits of the ACO model, and to
- determine the consequences of spreading the management of our community health needs beyond our currently defined community.

We need at least two years to evaluate the effectiveness of the UMASS ACO in improving efficiency and patient care as well as any positive or negative impact of the expanded community model.

Beyond a formal ACO, we believe that other options exist, for communities like ours, to moderate health care costs and improve quality. We are implementing these options parallel to the UMASS ACO. As noted above, our primary care practices have received PCMH certification and our hospital continues to make significant investments in care management, with a focus on care transitions. We do this without the added cost required for the ACO model. Our ability to continue with our own lower cost ACO alternative strategy may not be possible if certified ACOs receive enhanced payments.

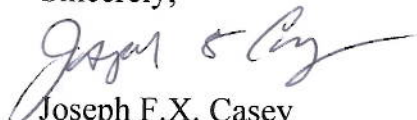
Summary

The purpose of an ACO certification process should be to promote quality, advance evidence based practices, coordinate care, reduce costs, and ensure that the public is protected. Certification should not be used to enhance payments. Some of the more advanced ACOs in the state in fact already have high capitation payments.

Massachusetts is fortunate to already be rapidly moving towards transforming the delivery system. Twenty-five percent of primary care providers practice in NCQA recognized patient centered medical homes; the APM adoption rate among commercial payers is at least 60% for HMO members; 62 provider groups participate in Medicare's bundled payment initiatives; there are participants in the Pioneer and Next Generation ACO models, etc. Linking enhanced payments one specific model, the ACO certification, may negate future innovation.

Thank you for the opportunity to provide feedback.

Sincerely,



Joseph F.X. Casey
Treasurer & CFO