

Q: Most physicians we talk to seem very skeptical of accountable care organizations. Looking into the future, do you see the ACO model succeeding in lowering costs and improving quality of care?

A: Physicians are right to be skeptical. ACOs aren't about reducing costs, but moderating the rate of increase. And doing it without anyone sacrificing anything. And ignoring the fact that we're massively overpaying for many services. The vast majority of ACOs are one-tailed - managed care without the risk, which is like vegan barbecue. It's the risk that forces us to make choices. The main problem *isn't* the rate of increase in costs, but that healthcare has become absurdly expensive. And because the ACO has become dominated by the most expensive care providers, hospitals, it's unlikely to achieve significant cost reductions. The only way to reduce costs is to reward physicians *and* patients for making high-value choices. ACOs are a fundamentally paternalistic model that marginalizes both of the key actors in medicine.