**OHIO STATE MEDICAL ASSOCIATION HOUSE OF DELEGATES**

**Resolution No. 26 – 2020**

**Introduced by:** Academy of Medicine of Lima and Allen County

**Subject:** Bundled Payments and Medically Necessary Care

**Referred to:** Resolutions Committee No. 2

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**WHEREAS**, Medicare has bundled payments for several diagnoses including total knee replacement, total hip replacement, myocardial infarction, and others where the payment needs to cover all medical care for 90 days after the initial hospital stay; and

**WHEREAS**, Medicaid is starting similar programs called Episodes of Care; and

**WHEREAS**, Even unrelated events (like cataract surgery or fractured hip from a fall) that occur within 90 days after the initial hospital stay must be covered by the bundled payment; and

**WHEREAS**, Some unrelated events can be very costly and cause significant spending beyond the limits of the bundle which cannot be controlled by the initial physician; and

**WHEREAS**, The incentive for the physicians who are caring for the patient is to save money by limiting the services that the patient receives regardless of the medical needs of the patient, because the money saved is returned to the physician; and

**WHEREAS**, Every patient is an individual with different responses to treatment and different co-morbidities; and

**WHEREAS**, Some patients need further therapy in an Inpatient Rehabilitation Unit or Skilled Nursing Facility, but are not offered those options due to cost containment; **therefore be it**

**RESOLVED**, That the OSMA work with Ohio Medicaid to make sure that medically necessary care is done for all patients and that Episodes of Care be carefully reviewed to make sure that the system is reasonable and fair to all, including patients and physicians; and, **be it further**

**RESOLVED**, That our AMA Delegation take the issue of “Bundled Payments and Medically Necessary Care” to the AMA Annual Meeting for study and report back to the AMA HOD, to make sure that our health care system is reasonable and fair to all, allows for medically appropriate and necessary care for our patients, and allows for fair reimbursement for physicians.

**Fiscal Note:** $ 1,000 (Sponsor)

 $ 1,000 (Staff)