



AMERICAN ACADEMY OF
FAMILY PHYSICIANS
STRONG MEDICINE FOR AMERICA

February 26, 2014

The Honorable John Boehner
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Harry Reid
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Eric Cantor
Majority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Minority Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Boehner, Leader Cantor, Leader Pelosi, Leader Reid, and Leader McConnell:

On behalf of the 110,600 members of the American Academy of Family Physicians, and its 49 undersigned constituent chapters, I am pleased to inform you of the family medicine's support for the bipartisan, bicameral *SGR Repeal and Medicare Provider Payment Modernization Act of 2014* (H.R. 4015 / S. 2000). We greatly appreciate the extensive work that this legislation represents and call for its immediate passage.

As the organizations representing the largest primary care physician specialty, we write to express our strong support for this proposal. We urge Congress to pass this measure before March 31, when the current extension of the Medicare payment formula that includes the Sustainable Growth Rate (SGR) formula expires.

Above all else, H.R. 4015/S. 2000 repeals the Medicare SGR. Congress is well aware of the troublesome history of this payment formula, since Congress has had to override the reductions in the physician payment rate mandated by the current formula. These perennial reductions threatened the stability of the Medicare program and the access of seniors to Medicare benefits. The looming threat of frequent reductions also stifles innovation in care delivery and hinders the transformation of primary care practices. Investments in process and quality improvement have proven difficult for most physicians under the current unpredictable structure. This is why the family medicine has advocated for repeal of the SGR for several years – so the primary care delivery system can flourish through innovation unencumbered by a flawed payment structure and can be better situated to provide quality care to patients.

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HR 4015/S 2000 makes several significant changes in Medicare that family medicine supports. First, the legislation shifts emphasis away from fee-for-service toward new advanced delivery models that demonstrate innovation in care delivery and higher quality care. Prominent among those alternative payment models (APM) is the Patient Centered Medical Home (PCMH), which the AAFP, along with the American Academy of Pediatrics, the American College of Physicians and the American Osteopathic Association, have promoted since 2007. Family medicine agrees with the legislation's automatic inclusion of the PCMH as an Advanced Alternative Payment Model that is designed to improve the delivery of health care.

Our members appreciate the legislation's provision of a 0.5 percent positive update each year through 2018. This is key to assuring physician practices that they will have the stability in payment that they need to make investments in the office that will support their transformations to an appropriate alternative delivery model.

The legislation also includes an important provision to provide needed technical assistance to small physician practices (i.e., those with 15 or fewer eligible professionals) that are located in Health Professionals Shortage Areas, rural areas, and other medically underserved areas. This assistance will help these practices improve their performances and to facilitate participation in appropriate APMs. These small practices most need assistance and are least likely to be able to afford securing it. Providing them with technical assistance will be critical in the rural and underserved areas that depend on the local primary care physician.

There are always areas receptive to improvement in any legislation, but in our view this proposal would facilitate improvements in care delivery and encourage transformation of the Medicare physician payment system. It is a remarkable accomplishment, and we applaud Congress for achieving this important compromise.

Much has been accomplished by the three committees who worked so diligently to draft this legislation and Congress should not squander the momentum established by delaying consideration of this important legislation. The opportunity to make a major improvement in the delivery of health care and the quality of care provided to all patients arises infrequently. We urge you, as leaders of the United States Senate and House of Representatives to bring this legislation to the floor for approval before March 31. Family medicine stands ready to provide any assistance you need.

Sincerely,

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Arizona Academy of Family Physicians
Arkansas Academy of Family Physicians
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*CC: United States Senate
United States House of Representatives*