

December 12, 2012

The Honorable Joe Pitts Chairman. Committee on Energy and Commerce Washington, DC 20515

The Honorable Frank Pallone, Jr. Ranking Member, Committee on Energy and Commerce Washington, DC 20515

Dear Chairman Pitts and Ranking Member Pallone:

The American Academy of Family Physicians (AAFP), representing 105,900 physicians and medical students nationwide, has long supported policies aimed at expanding access to affordable health care coverage for all Americans. We believe that our health care system benefits from universal health care coverage and individuals should have a continuous relationship with a family physician, which is more likely if they have consistent health care coverage. As a result of our longstanding policies associated with expanding coverage to all Americans, we support expanding Medicaid eligibility and establishing health insurance exchanges as a way to reach the goal of making health care available to all by increasing access to care and enabling physicians to provide cost efficient, quality care. While the Affordable Care Act Medicaid expansion and health insurance exchange provisions are not perfect, they are a significant step forward and we are therefore generally supportive of their implementation.

Research consistently shows that people who have health insurance coverage, whether private or public, are more likely to have a usual source of care, better overall health, and better control of chronic conditions. Studies also demonstrate that people without insurance skip or delay needed preventative services and postpone care during early, easily treated stages of an illness. By the time these patients seek help, they often require more intense intervention and the related care tends to be more complicated and more expensive. Additionally, they frequently seek care at the most expensive care settings like hospitals. We also are mindful that health care debt now accounts for more than 50 percent of all personal bankruptcies. The AAFP would suggest that these would be far less frequent if all Americans had consistent health care.

Failure to expand Medicaid does not simply deny coverage to the most vulnerable individuals, it affects the entire community who feel the impact of treating the poor and seriously ill. Family physicians see this scenario play out daily; we treat patients who lack the financial resources or insurance to pay for their care. Our experience is the foundation for the AAFP's 20-year policy advocating for health care for all, it is also the reason that we are encouraging participation in the Medicaid expansion program. The cost of caring for the uninsured is shared, currently, by the health care system as a whole. Hospitals, physicians and other health care providers must distribute their growing financial losses to their paying patients as well as to insurance companies who

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attempt to make up the difference by raising premiums. The pressure grows on both individuals whose income does not keep up with the increase in health care costs and employers who see their contributions to health benefits grow each year at an alarming rate. For many, the decision could be, "drop the coverage." We know the negative impact such decisions will have on the growing number of uninsured and underinsured across the Country. And, the negative financial strain that will be felt by many providers.

While we recognize the financial challenges on our federal and state health care programs, we are confident that advances in care delivery are capable of meeting these challenges through improved quality for patients and improved efficiencies for patients. At the forefront of these reforms is the patient-centered medical home (PCMH). Across the nation, the PCMH is demonstrating the ability to lower the overall health care spend for payers, improve the quality of care for patients, and better manage our precious health care resources. The AAFP believes the Medicaid expansion and health insurance exchanges are the perfect vehicles for further implementing the PCMH as the foundation of a new health care system that is built on a foundation of continuous and comprehensive primary care.

The AAFP hopes that this important hearing on Medicaid expansion and the ACA Health Insurance Exchanges will provide an opportunity for Members of Congress to gain valuable information and move forward with implementation. The AAFP and our members stand ready to assist the Committee and Congress in ensuring that our nation's health care system is providing quality care to patients and is appropriately deploying our financial resources.

Debbie Weiner on our staff is the contact for any additional questions that you might have. You can reach her at (202) 232-2520 or by email at dweiner@aafp.org.

Sincerely,

Glen Stream, MD, MBI, FAAFP

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