AMERICAN ACADEMY OF FAMILY PHYSICIANS

STRONG MEDICINE FOR AMERICA

January 21, 2009

Honorable David R. Obey
Chairman, Committee on Appropriations
House of Representatives
Washington, DC

Honorable Henry A. Waxman
Chairman, Committee on Energy Commerce
House of Representatives
Washington, DC

Honorable Charles B. Rangel
Chairman, Committee on Ways and Means
House of Representatives
Washington, DC

Dear Chairmen:

On behalf of the more than 94,000 members of the American Academy of Family Physicians, I want to express our deep gratitude for all three committees' work on stimulus legislation that includes several provisions to improve health care in this country. We particularly support funding for the training of primary care physicians; the implementation and use of health information technology (HIT); the improved federal match for Medicaid; and comparative effectiveness research.

Primary Care Training

AAFP is grateful that the American Recovery and Reinvestment Act of 2009 includes a number of provisions that represent sound investments in the country's health care system.

We agree wholeheartedly that health care coverage for all requires primary care. We support health care coverage for all, but in order to achieve that goal and provide better care in a cost-efficient manner we must move toward a health care system based on primary care. Clearly, we must train more family physicians to meet this goal. We appreciate the specific mention of family medicine in the report language.

We also agree that funding for health professions training for these disciplines has withered in the past decade. Increasing funds for Title VII, Section 747 Health Professions Grants for Training for Primary Care Doctors and Dentists and the National Health Service Corps is needed to develop the primary care workforce needed to assure that everyone has access to health care. By doubling the annual funding for Title VII, Section 747 the Committee has taken a vital step toward meeting the recommendation of the HRSA Advisory Committee on Training in Primary Care Medicine and Dentistry for an annual appropriation of $215 million for the Title VII, Section 747 grant program.

Health Information Technology

As a long-time supporter of health information technology for our members, the AAFP was gratified to see $20 billion allocated to HIT to improve health care quality and efficiency. We support funding for certified HIT products and additional latitude for stand alone solutions (such

2021 Massachusetts Ave., N.W. • Washington, DC 20036-1011 • 888.794.7481 • 202.232.9033 • Fax: 202.232.9044 • capitol@aafp.org

as registries) that currently are not eligible for CCHIT certification. Specifically, we believe that physicians should have effective incentives to purchase a wide variety of technology that is appropriate for their particular setting. We agree that the Department of Health and Human Services should be allowed latitude to determine what products should be certified. Any funds to support the purchase of certified products should be followed by incentives that align payment with quality and efficiency. This is critical to drive the utilization of the adopted systems.

We also strongly support the dollars targeted to physicians who are "meaningfully using HIT." We have a few questions for clarification. First, will physicians who already have purchased HIT be eligible for funding to buy additional software to enhance their practices? We believe they should be eligible to receive funding to upgrade their systems. Second, as we understand it, $65,000 is the maximum amount "high volume" Medicaid providers could receive while $41,000 is the maximum figure for "high volume" Medicare providers. In determining the definition of "high volume," we urge you to use a percentage of patients rather than an absolute number. If "high volume" were to be defined as an absolute number, small practices serving large percentages of Medicare or Medicaid patients would be unlikely to receive funding compared to large integrated medical groups who do not need this sort of assistance. Third, we are uncertain why there is a differential payment for Medicare and Medicaid. We urge you to establish a single figure, regardless whether physicians see Medicare or Medicaid patients.

Last, while we understand your strong desire to encourage physicians to purchase HIT, we note that after 2016, physicians not using health information technology will face declining Medicare reimbursements. Unfortunately, since Medicare reimbursement already is at low levels, we strongly urge you not to include this provision unless the physician payment issue is addressed, especially for family medicine and primary care. We would also ask that you consider the capacity of the HIT market to support the deployment of HIT solutions to all physicians by 2016. We do not believe the market has this capacity.

Medicaid

We thank you for including a number of important Medicaid-related measures in the stimulus package, most notably a temporary increase in the Federal Medical Assistance Percentage (FMAP) for Medicaid. An increase in the FMAP not only will help those most in need, but will have the additional benefit of stimulating the economy through targeted, specific relief in a large and critical sector of the economy.

The inclusion of a temporary option for states to enroll those receiving or exhausting unemployment benefits, receiving food stamps but otherwise ineligible for Medicaid, and families with gross incomes below 200 percent of the Federal Poverty Level, will go far to ensuring families hit hardest by the recession will stay healthy as they seek to rejoin the workforce. Having the federal government assume 100 percent of the costs of those enrolled under this option will alleviate the financial concern states may have in implementing this option.

We also applaud the extension of Transition Medical Assistance (TMA) until December 31, 2010. TMA allows states to extend Medicaid coverage to individuals as they reenter the workforce after receiving welfare. Given that many low-wage jobs, if offering health insurance at all, require a waiting period before a new worker may enroll in their employer-sponsored insurance, this important program helps individuals gain a job without worrying about losing their health care.

Extending the moratorium through June 30, 2009 on six Medicaid regulations— as well as adding a seventh regulation to the moratorium—will affect greatly states' ability to maintain their programs. These regulations stand to restrict funding for crucial services such as outpatient hospital payments, graduate medical education, targeted case management, cost limits on public providers, rehabilitation services, provider taxes, and school administration and transportation services.

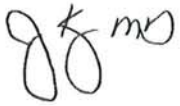
These provisions together are an important step and recognize the crucial role Medicaid plays as the safety net for more than 58 million of our most vulnerable patients.

Comparative Effectiveness Research

Finally, as a long-time supporter of the need for comparative effectiveness research, we would like to express our support for the $1.1 billion included in the stimulus package. We need to spur the development of data in which drugs, devices, and therapies used to treat the same conditions are evaluated for their relative safety, effectiveness, and cost. Comparative effectiveness research has great potential to improve health care quality and patient outcomes, while assuring patients receive the best care at the best value.

On behalf of America's family physicians, we appreciate your willingness to consider the value of family medicine and the needs of our patients in this troubled economic period. We look forward to working together to improve health care access and quality in our nation.

Sincerely,



Jim King, MD, FAAFP
Board Chair