



AMERICAN ACADEMY OF
FAMILY PHYSICIANS
STRONG MEDICINE FOR AMERICA

March 2, 2015

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

The Honorable Mitch McConnell
Majority Leader, United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Democratic Leader, House of Representatives
Washington, DC 20515

The Honorable Harry Reid
Democratic Leader, United States Senate
Washington, DC 20510

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

In 30 days, the Medicare program will implement the most damaging payment policy in its history as a result of the fundamentally flawed sustainable growth rate (SGR) formula. Should this policy be realized, Medicare beneficiaries across the nation likely will face challenges in securing access to their primary care physicians. The American Academy of Family Physicians (AAFP) continues to strongly support the bipartisan agreement reached during the 113th Congress. This legislative proposal not only repeals the failed SGR, but also puts in place a glide path for the implementation of new delivery and payment models that transition our health care system from an episodic and volume-driven model to a longitudinal and quality-driven one.

We applaud the work that led to this policy and work that is ongoing to pursue its enactment. Over the past 12 years, Congress has resorted to 17 short-term fixes at a cumulative cost of more than \$169 billion. We urge you to move beyond these short-term, stop-gap measures that have become the accepted course of action on this issue. The bipartisan measure to repeal the sustainable growth rate (SGR) and replace it with policy that encourages alternative payment models has the support of a majority of physician organizations and the Committees of jurisdiction. Its enactment is achievable.

The Medicare program and our health care system rely on access to a robust primary care physician workforce, yet payment and regulatory policies make it difficult for family physicians to provide care to their patients. Since the establishment of the SGR, physician payments have fallen more than 20 percent below inflation. The lack of growth in payments comes during the same time period in which Congress piled more than 20 major rules, regulations, and new programs on physicians participating in the Medicare program.

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These rules, regulations, and programs disproportionately impact primary care physicians due to the diversity in their patient services and the size of their practices. Today, our members are asked to comply with a complex web of regulations that tie up their practices, expose them to heavy-handed, one-sided audits, and divert their time and attention from the one thing they should be doing – providing care to patients.

It is important to remember that family physicians are not only providers of essential health care services; but also small businesses that create well-paying jobs and contribute to the economic viability of communities small and large. Family physicians are economic engines for their communities. On average, each of the nation's family physicians employs five full-time staff members and directly produces nearly \$1 million in economic activity. Collectively, family physicians nationwide employ more than 350,000 people and generate more than \$46 billion in economic activity. It is improbable that any small business like these practices can endure a 21-percent reduction in revenue and an explosion in mandatory compliance with regulations.

Again, we thank you for your continued leadership and ongoing efforts to repeal the flawed SGR formula and replace it with a delivery and payment policy that provides physicians with a predictable and stable payment formula that promotes high-quality physician services. The AAFP and our 115,900 members stand ready to assist you in this effort.

Sincerely,

A handwritten signature in black ink that reads "Reid Blackwelder MD" with a stylized flourish at the end.

Reid Blackwelder, MD, FFAFP
Board Chair

C: The Honorable Kevin McCarthy
 The Honorable Steve Scalise
 The Honorable Steny Hoyer
 The Honorable John Cornyn
 The Honorable Richard Durbin

