AMERICAN ACADEMY OF FAMILY PHYSICIANS

January 14, 2019

Seema Verma, Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS–2408–P
P.O. Box 8016, Baltimore, MD 21244–8013

Dear Administrator Verma:

On behalf of the American Academy of Family Physicians (AAFP), which represents 131,400 family physicians and medical students across the country, I write in response to the proposed rule, "Medicaid Program; Medicaid and Children's Health Insurance Plan (CHIP) Managed Care" as published by the Centers for Medicare & Medicaid Services (CMS) in the November 14, 2018, Federal Register.

This proposed rule attempts to streamline the Medicaid and CHIP managed care regulatory framework while promoting transparency, flexibility, and innovation in the delivery of care. We share these goals and offer the following feedback to help advance these policy objectives.

The AAFP policy on Medicaid Services encourages family physicians to participate in discussions and decisions that promote both high quality care and maintenance of medically necessary health services for all Medicaid recipients. **All Medicaid coverage should include a uniform range of mandatory services and state-approved optional services. Medicaid, CHIP, and Medicaid Managed Care Organizations (MCOs) payment for services should be fair and adequate, and must be at Medicare rates.** All Medicaid programs should include provisions whereby the homeless and medically uninsurable are covered, and to accomplish this, states should expand Medicaid to avoid coverage gaps.

The AAFP's core principles on Medicaid include a section specific to MCOs. We call on CMS to ensure that Medicaid and CHIP Managed Care Organizations are held accountable for:

- Adequacy of primary care and specialist networks (especially regarding the number of available physicians and geographic availability).
- Assignment of beneficiaries to a primary care physician who is geographically proximate.
- Assurance of continuity of care for Medicaid patients from the primary care physicians of their choice.
- Beneficiaries' access to all allowable and covered services under federal and state law.

Network adequacy requirements

The proposal would replace standards related to time and distance (geography) and allow for more flexibility for states to define network adequacy standards quantitatively (e.g. provider/enrollee ratio).

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To best address network adequacy concerns, the AAFP recommends CMS establish payment rates to be at least equal to Medicare for the Medicaid, CHIP, and Medicaid MCO programs.

CMS must at least maintain the current approach, which requires states to establish time and distance standards for network adequacy. As a reminder, the AAFP's core principles on Medicaid call for MCOs to be accountable for beneficiaries' access to all allowable and covered services under federal and state law. This approach would maintain a federal minimum requirement that states establish mandatory time and distance standards for select provider types, while maintaining state flexibility to establish the specific time and distance standards (e.g. 30 miles, 30 minutes). The Medicaid and CHIP Payment and Access Commission (MACPAC) conducted a review of state documents and found that states could meet current requirements with the flexibility allowed under existing rules. Given MACPAC's finding that flexibility already exists for states, **the AAFP strongly encourages CMS to continue to improve their monitoring of Medicaid and CHIP managed care plans' network adequacy and ensure that beneficiaries are not excluded from receiving needed benefits.**

CMS proposes to give states flexibility to use a quantitative network adequacy standard in place of time and distance, noting that use of another standard could permit states that are heavily reliant on telehealth to consider virtual care in assessment of access to providers. **The AAFP opposes this approach unless the telehealth provider is a physician who is also providing in-person care in the payer's network.** If a provider is only available to provide care virtually, then they are not truly "available" to meet all potential care needs for a patient in the payer's network within the applicable medical specialty. The AAFP urges CMS to protect Medicaid and CHIP beneficiaries from the costly and inefficient encroachment of direct to consumer telemedicine which is not coordinated with beneficiaries' usual source of primary care. Patients need access to longitudinal, comprehensive primary care, and stand-alone telemedicine services are inadequate for patients. Only if the telehealth physician/provider is also providing in-person care in the network, should the provider count toward fulfillment of network adequacy thresholds.

Further, the AAFP questions why the agency would create additional variation in how states define "specialist." We further urge the agency to pursue standardized definitions of primary care physicians and we stand ready to work with CMS and state Medicaid agencies to define these terms. **We strongly encourage use of AAFP's definitions for primary care.**

Directed Payment Changes

CMS proposes to eliminate requirements for CMS approval of fee schedules already outlined in approved State Plans. CMS also proposes to allow the use of alternative directed payment arrangements that it argues could support use of value-based payment models and alignment across payers. Additionally, the proposal would allow multi-year approval of directed payment arrangements.

Family physicians often report that Medicaid managed care payment rates are woefully inadequate and that they struggle to afford providing services to the Medicaid managed care population. Again, the AAFP strongly recommends CMS establish payment rates to be at least equal to Medicare for the Medicaid, CHIP, and Medicaid MCO programs.

The AAFP welcomes the opportunity to work with CMS and states to identify and implement Value-based payment models. The AAFP has developed the Advanced Primary Care

Alternative Payment Model (APC-APM), a next generation, advanced primary care model. The APC-APM would empower family physicians—especially those in small, independent practices—to move away from fee-for-service payment systems and into population-based, predictable revenue streams financed by Medicaid and other payers. The AAFP encourages CMS to require that all Medicaid and CHIP managed care plans:

- Make provider-level data publicly available;
- Clarify whether the upper payment limit applies for directed payments and how it will be enforced; and
- Improve reporting and monitoring of quality strategies and evaluation plans required for directed payments.

Primary Care Case Management (PCCM)

The proposed rule also directs states to explicitly reference PCCM in their managed care quality strategy if contracting with PCCM entities. The AAFP supports this approach as it aligns with our Medicaid principles which specify that the patient-centered medical home model of care combined with appropriate payment for case management and chronic care coordination services should be implemented broadly and should include collaboration between the physician's practice and Medicaid case management programs.

Medical Loss Ratio (MLR)

The AAFP is pleased that CMS is not substantially modifying MLR requirements for Medicaid and CHIP managed care plans. MLR policies are important since they help ensure health care finances are focused on patient care rather than insurer profits.

Written Appeals

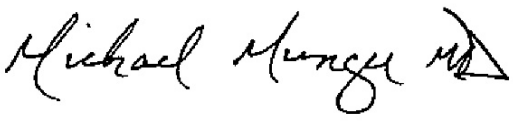
Regarding appeals and grievances, CMS proposes that written appeals will no longer be necessary if an oral appeal has been submitted to the plan. The AAFP fully supports this approach as administrative simplification is a top AAFP priority and physicians are often deeply involved in the coverage appeals process by advocating for their patients

Language and Format

CMS proposes to scale back the requirement states and plans include taglines in prevalent non-English languages and in large print in all written materials for potential enrollees and enrollees. The AAFP is concerned this approach weakens current important beneficiary protections. We urge CMS to maintain policies requiring plans to include information in prevalent non-English languages and large print.

We appreciate the opportunity to comment. Please contact Robert Bennett, Federal Regulatory Manager, at 202-655-4908 rbennett@aafp.org with any questions or concerns.

Sincerely,



Michael L. Munger, MD, FAAFP
Board Chair