

March 3, 2011

Director Steve Larson
Center for Consumer Information and Insurance Oversight
Department of Health and Human Services
Room 445–G
Hubert H. Humphrey Building
200 Independence Avenue, SW.
Washington, DC 20201

Attention: OCIIO-9983-NC

Dear Director Larson:

On behalf of the American Academy of Family Physicians (AAFP), which represents more than 97,600 family physicians and medical students nationwide, I am writing in response to the request for comments regarding the establishment of the Consumer Operated and Oriented Plan (CO-OP) program as published in the February 2, 2011 Federal Register.

Section 1322 of the *Affordable Care Act* requires the Secretary to create "qualified nonprofit health insurance issuers" that must operate with a strong consumer focus and use any profits to lower premiums, improve benefits, or improve the quality of healthcare delivered to plan members. As a longstanding supporter of efforts to improve patient access to affordable health insurance coverage, the AAFP was pleased this section was included in the *Affordable Care Act*.

As the Department of Health & Human Services (HHS) develops the CO-OP program over the next few years, HHS should carefully consider the important relationship between enrollees and a strong provider network, especially in rural or medical shortage areas. To that end, the AAFP strongly urges HHS to fully incorporate the patient centered medical home concept into the CO-OP program. An increased focus on physicians whose practices serve as a patient centered medical home will result in increased CO-OP enrollee access to preventive care, better coordination of the care they need to manage chronic diseases, and appropriate care for acute illnesses. Since a statutory requirement of the CO-OP program is to improve the quality of healthcare delivered, HHS should consider the encouraging data emerging from patient centered medical home demonstrations and pilot projects around the country. This data already shows significant potentials for controlling cost increases.

According to a <u>review</u> of patient centered medical home evidence by Kevin Grumbach, MD (Center for Excellence in Primary Care within the Department of Family and Community Medicine at the University of California, San Francisco) and Paul Grundy, MD, MPH (IBM Global Healthcare Transformation and the Patient-Centered Primary Care Collaborative), the Geisinger Health System ProvenHealth Navigator patient

President
Roland A. Goertz, MD
Waco, TX

Leah Raye Mabry, MD

San Antonio, TX

Speaker

President-elect Glen Stream, MD Spokane, WA

Vice Speaker John S. Meigs, Jr., MD Brent, AL Board Chair Lori J. Heim, MD Vass, NC

Executive Vice President Douglas E. Henley, MD Leawood, KS Directors
Jeffrey J. Cain, MD, Denver, CO
Thomas Allen Felger, MD, Granger, IN
George Wm. Shannon, MD, Columbus, GA
Reid Blackwelder, MD, Kingsport, TN
Conrad L. Flick, MD, Raleigh, NC
Laura Knobel, MD, Walpole, MA

Barbara Doty, MD, Wasilla, AK
Richard Madden, Jr., MD, Belen, NM
Robert Wergin, MD, Milford, NE
Russell Kohl, MD, (New Physician Member), Vinita, OK
Heidi Meyer, MD, (Resident Member), Tucson, AZ
Kevin Bernstein (Student Member), Quakertown, PA

centered medical home model is showing over 7% reduction in total costs, 16% to 24% reduction in hospital admissions, and a 30% - 40% reduction in emergency department visits in the initial years of the demonstration. Another patient centered medical home effort that shows a reduction in cost growth is Community Care of North Carolina, which estimates saving nearly \$1 billion in North Carolina Medicaid expenditures in just 6 years. The patient centered medical home program for Medicaid-Medicare dual eligible patients implemented in Erie County, New York estimates saving \$1 million for every 1,000 patients enrolled.

But reducing the growth of healthcare costs is just one of the many benefits of the patient centered medical home. Data from several medical home demonstration and pilot programs shows decreased mortality rates, improved participation in preventive and screening services, and better control of blood pressure and cholesterol levels. Patients receiving care in a patient centered medical home are active participants in their own health and are cared for by a family physician who leads the practice team coordinating all aspects of the patient's health. These efforts improve the patient's quality of life and prevent costly hospital admissions.

These examples demonstrate an improved efficiency because the patient centered medical home serves as a single source of access and care. As a result, duplication of tests and procedures and unnecessary and expensive emergency department visits and hospitalizations can be avoided. The AAFP therefore urges HHS to include the patient centered medical home concept into the CO-OP program so that future CO-OP enrollees can enjoy access to a well-organized medical team that will coordinate care and maintain effective communication with their patients about wellness and prevention, mental health, and physical health activities and treatments.

We appreciate the opportunity to provide these comments and make ourselves available for any questions or clarifications you might need. Please contact Robert Bennett, Federal Regulatory Manager at 202-232-9033 or rebennett@aafp.org.

Sincerely,

Lori J. Heim, MD, FAAFP

Lori Hein

Board Chair