

March 16, 2021

Elizabeth Fowler, JD, PhD Director, Center for Medicare & Medicaid Innovation Centers for Medicare & Medicaid Services Department of Health and Human Services Baltimore, MD 21244

Dear Dr. Fowler:

On behalf of the American Academy of Family Physicians (AAFP), representing more than 136,700 family physicians and medical students across the country, I write to congratulate you on your new role as Director of the Center for Medicare & Medicaid Innovation (CMMI). The AAFP looks forward to partnering with you to advance value-based payment and delivery system reform.

The AAFP is a staunch supporter of CMMI and strongly believes in testing alternative payment models (APMs) that move away from fee-for-service payment toward a value-based health care system. We believe a system that places comprehensive, continuous primary care at the center is best positioned to successfully improve health care quality and lower costs. The COVID-19 pandemic has further underlined the fundamental vulnerabilities of the fee-for-service system. While many primary care practices continue to experience financial strain, those that participate in APMs have been more financially stable and have used prospective payments to support innovative capabilities to safely care for patients amid the pandemic. It is clear health care transformation is vital for improving our nation's preparedness for future crises.

In addition to a long history of advocating for payment and delivery reform, the AAFP shares your commitment to improving health care coverage, affordability, and equity. By improving access to value-based primary care across payers, together we can advance these priorities.

The AAFP commends CMMI's efforts to implement primary care models across the spectrum of value-based care, including the Direct Contracting and Primary Care First (PCF) models. We are pleased that CMMI is now moving to broaden eligibility for the second wave of participation in PCF and continue to believe that these models will facilitate payment reform. The AAFP looks forward to working with you to make the technical improvements needed to ensure the long-term success and viability of primary care models, as well as ensuring models meet the needs of all practice sizes.

Physician-led models are vital to meeting these needs. The AAFP has long advocated for physicianled models and is supportive of the Physician-Focused Payment Model Technical Advisory Committee (PTAC). Many existing APMs focus largely on health systems or hospitals and physician practices need more options for participation. The PTAC process is important for engaging physicians in APM development and has resulted in the successful creation of several well-vetted models that CMMI could test. In fact, the AAFP previously submitted a model to the PTAC which was subsequently recommended for testing. Several elements of this model were then included in the ongoing PCF model.

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Dr. Fowler March 16, 2021 Page 2 of 2

To recruit and retain physician practices in the value-based movement, APMs must also provide an "on-ramp" to participation. We continue to hear from family physicians in small or medium sized practices that they are not ready to take on downside risk, and we are deeply concerned that requiring practices to do so will lead to further consolidation and higher costs. We also know that access to capital can be a barrier to APM participation – many smaller practices lack the resources to make upfront investments in staffing and infrastructure to support new practice models. We look forward to discussing policy options for engaging smaller practices and sustaining their participation in alternative payment models.

Finally, we hope to partner with you to strengthen CMMI's engagement in Medicaid and harmonize APMs across payers. As a primary payer of preventive and primary care services, Medicaid policies influence patients' access to high-quality primary care. Since CMMI's primary care models have todate focused on Medicare beneficiaries, we look forward to discussing how these models could also improve care for Medicaid enrollees. Further, to truly advance value-based primary care, as well as reduce administrative burdens associated with participation in APMs, models must be harmonized across public and private payers.

Again, congratulations on your appointment as the Director of CMMI. We stand ready to partner with you and would appreciate the opportunity to meet with you to discuss our shared goals for advancing value-based care. To set up a meeting please contact Stephanie Quinn, Senior Vice President for Advocacy, Practice Advancement and Policy at squinn@aafp.org.

Sincerely,

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R. Shawn Martin Executive Vice President and Chief Executive Officer American Academy of Family Physicians