

July 10, 2013

The Honorable Jim McDermott, MD U.S. House of Representatives Washington, DC 20515

## Dear Representative McDermott:

On behalf of the 110,600 members of the American Academy of Family Physicians (AAFP), thank you for introducing the Accuracy in Medicare Physician Payment Act (HR 2545). This legislation addresses a serious issue of how the Centers for Medicare and Medicaid Services (CMS) determines the relative value of each physician service. This relative value is an essential component of the Medicare physician fee schedule. The AAFP appreciates your leadership on this important issue, and I am pleased to inform you that we support the bill and have a recommendation for improving it.

The bill would create an expert advisory panel for CMS that would oversee the evaluation of physician services and would review recommendations from external sources, like the Relative Value Scale Update Committee (RUC). The panel would be subject to the Federal Advisory Committee Act, which would require public notice of its meetings and make publicly available minutes of those meetings. The expert panel would be composed of "individuals with expertise in the valuation of physicians' services," including experts in medical economics and technology diffusion as well as payer and patient representatives. It would supplement and not supplant the RUC process.

We agree with your observation that CMS needs to have the expertise required to evaluate physician services and that this evaluation should be as objective and free as possible from the appearance of conflicts of interest. Your legislative proposal would go a long way toward providing CMS with the independent expertise that it needs, and it is consistent with prior recommendations of the Medicare Payment Advisory Commission and recommendations we made to the RUC last year. We would recommend, however, that the legislation stipulate that the panel include at least one primary care physician, since this is the perspective that has been most underrepresented in previous deliberations of the relative value of physician services.

HR 2545 could make an a major difference in how the Medicare payment system supports primary care physicians in offering better quality health care more efficiently. The bill is long overdue, and we appreciate your leadership in bringing it to Congress. Please let Kevin Burke, the AAFP Director of Government Relations (kburke@aafp.org), know how we can be of assistance with your work on this legislation.

Sincerely,

Glen R. Stream, MD, MBI, FAAFP

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