

March 22, 2019

The Honorable Robert Wilkie Office of Regulation Policy and Management (00REG) Department of Veterans Affairs 810 Vermont Avenue NW, Room 1063B Washington, DC 20420

RE: RIN 2900–AQ46, Veterans Community Care Program

Dear Secretary Wilkie:

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 titled, "Veterans Community Care Program" as published by the Department of Veterans Affairs (VA) in the February 22, 2019, Federal Register.

This regulation proposes changes to the VA's authority regarding covered veterans receiving necessary hospital care, medical services, and extended care services from non-VA entities or providers in the community. This proposed rule establishes the criteria for determining when covered veterans may elect to receive such care and services through community health care entities or providers.

The AAFP appreciates that VA is implementing the Maintaining Internal Systems and Strengthening Integrated Outside Network Act of 2018. A recent study published in Family Practice highlighted the challenges associated with health care for veterans and the complicating fact that many primary care physicians outside the VA have "great uncertainty" about how best to address veterans' unique health needs and challenges.

Many veterans receive care from family physicians and other primary care physicians outside the VA system because of the limited number of VA health care professionals in their areas. Like the VA system, the private-sector primary care system that these veterans turn to has its own workforce shortage, especially in rural areas. The AAFP encourages the VA to expand its graduate medical education offerings with a focus on family medicine, primary care, mental health, and physician shortage areas.

In addition to expanding family medicine GME offerings within the VA, the VA must also address issues with payment for primary care. Family physicians have a great opportunity to provide care, but enhanced compensation is needed to ensure an adequate workforce. The AAFP strongly believes that Veterans Community Care Program payments must be above current Medicare levels to be effective in promoting access to primary care services for

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veterans, spouses, children, survivors, and certain caregivers of veterans who meet eligibility criteria.

Primary care for any population is critical to ensuring continuity of care, as well as providing necessary preventive care, which improves overall health and can reduce total health care costs. The Medicare payment rate is widely used as a benchmark by other public and private payers. Any public or private payer health plan contract that does not at least meet the Medicare payment rate creates an unmanageable financial drain for most family medicine practices that already operate on extremely thin margins. If the VA offers contracts at less than the Medicare rate, the AAFP is concerned that most practices will not be able to participate in the program, which undermines the goal of expanding access to these important services.

Beyond that, we note the current Medicare physician fee schedule undervalues evaluation and management services in general and office visits in particular, the services provided most often by family physicians. As the Medicare Payment Advisory Commission noted in its June 2018 report to Congress:

Ambulatory evaluation and management (E&M) services . . . are essential for a high-quality, coordinated health care delivery system. These visits enable clinicians to diagnose and manage patients' chronic conditions, treat acute illnesses, develop care plans, coordinate care across providers and settings, and discuss patients' preferences. E&M services are critical for both primary care and specialty care. The Commission is concerned that these services are underpriced in the fee schedule for physicians and other health professionals ("the fee schedule") relative to other services, such as procedures. This mispricing may lead to problems with beneficiary access to these services and, over the longer term, may even influence the pipeline of physicians in specialties that tend to provide a large share of E&M services.

Enhancement of the current Medicare payments for primary care is needed to support ongoing access to the services of primary care physicians. The VA should offer contracts at levels above the current Medicare rate for E&M services, especially office visits, so family physicians and other non-VA primary care physicians can afford to treat veterans.

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 Munger MD, FAAFP

Board Chair

About Family Medicine

Family physicians conduct approximately one in five of the total medical office visits in the United States per year—more than any other specialty. Family physicians provide comprehensive, evidence-based, and cost-effective care dedicated to improving the health of patients, families, and communities. Family medicine's cornerstone is an ongoing and personal patient-physician relationship where the family physician serves as the hub of each patient's integrated care team. More Americans depend on family physicians than on any other medical specialty.