

October 31, 2019

The Honorable Richard Neal Chairman, Ways & Means Committee U.S. House of Representatives Washington, DC 20515 The Honorable Kevin Brady Ranking Member, Ways & Means Committee U.S. House of Representatives Washington, DC 20515

The Honorable Charles Grassley Chairman, Finance Committee United States Senate Washington, DC 20510 The Honorable Ron Wyden Ranking Member, Finance Committee United States Senate Washington, DC 20510

Dear Chairman Neal, Ranking Member Brady, Chairman Grassley and Ranking Member Wyden:

As Board Chair of the American Academy of Family Physicians (AAFP), which represents 134,600 family physicians and medical students, I write to express our strong support for provisions included in the 2020 Medicare Physician Fee Schedule (MPFS) that, upon implementation, will increase the Medicare program's investment in primary care physicians and primary care services. This letter seeks to provide you factual information on why the recommendations proposed by the Centers for Medicare & Medicaid Services (CMS) are in the best interests of Medicare beneficiaries and the Medicare program.

It is well documented that the services of family physicians and other primary care physicians are under-valued and under-funded in the United States as compared to other medical specialties. The lack of investment in primary care continues to occur despite clear and convincing evidence that shows the unparalleled contributions of primary care to improvements in quality of care, patient health outcomes, and overall health care spending as compared to other physician specialties.

The current levels of Medicare resources devoted to primary care are insufficient, and the program suffers as a result. A recent <u>study</u> found the percentage of Medicare's total resources devoted to primary care was between 2% and 5% - an embarrassingly low investment into a set of physicians and physician services that have proven value, especially considering a recent <u>study</u> in *JAMA Internal Medicine* reported the supply of primary care physicians is associated with lower mortality rates.

This past year, the Relative Value Scale Update Committee (RUC) effectively moved to increase the overall investment in primary care by recommending increases in the relative value of office visits, the core services provided by primary care physicians. The RUC engaged in a comprehensive, transparent, and inclusive analysis of evaluation and management (E/M) codes. Physicians, of all specialties, participated in a data gathering process that informed the RUC's final recommendation to

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increase the overall value of the nine E/M office visit codes. The RUC, as is customary, forwarded the recommendation to increase values for E/M services to CMS.

CMS has appropriately proposed to accept the recommendations made by the RUC to increase the values for E/M office visit services starting in 2021. In addition, CMS followed the recommendations made by the Medicare Payment Advisory Commission (MedPAC) and other non-partisan organizations to further increase payments for primary care physicians through the proposed establishment of a primary care add-on payment in the Medicare fee-for-service program. In total, the increases in E/M office visit values and the primary care add-on code will result in a 12% increase starting in 2021 in Medicare allowed charges for family physicians.

The recommendations included in the 2020 proposed Medicare Physician Fee Schedule (MPFS) to increase payment levels for primary care physicians in 2021 are appropriate and justified by decades of academic literature that demonstrates the positive impact of primary care on patients and health systems. To accomplish this goal, CMS had to make choices in how they proposed to implement the increased E/M values. In the proposed rule, CMS chose to limit the enhanced E/M values to standalone E/M services and not to such services as part of a global procedural service. The AAFP believes the proposed policy from CMS is correct and strongly supports their proposal as described in the 2020 MPFS proposed rule.

The AAFP has signaled our strong support for the CMS proposals, and we are encouraging CMS to finalize these proposals in the final rule. We welcome your support as well and encourage you to communicate your support for the proposed increases in primary care payments directly to CMS and Administrator Seema Verma. Please contact Stephanie Quinn, Director of Government Relations at squinn@aafp.org for additional information.

Sincerely,

John S. Cullen, MD, FAAFP

Board Chair

C: Members, U.S. House of Representatives

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