



February 3, 2022

The Honorable Kevin Hern
U.S. House of Representatives
1019 Longworth House Office Building
Washington, DC 20515

The Honorable Rick Allen
U.S. House of Representatives
570 Cannon House Office Building
Washington, DC 20515

The Honorable Victoria Spartz
U.S. House of Representatives
1523 Longworth House Office Building
Washington, DC 20515

Dear Representatives Hern, Allen, and Spartz:

On behalf of the American Academy of Family Physicians (AAFP), which represents 133,500 family physicians and medical students across the country, I write in response to the Healthy Future Taskforce Affordability Subcommittee's request for information (RFI) with general recommendations on design considerations for potential legislation to make health care more affordable.

The AAFP believes that every American should have access to affordable health care coverage providing equal access to services, including comprehensive primary care. Every day, family physicians encounter patients who struggle to make ends meet, and the escalating costs of health care have led many patients to delay or forgo needed care.

Evidence suggests that improving affordable access to primary care improves health outcomes. Mortality rates are lower in regions with more primary care physicians – for every 10 additional primary doctors per 100,000 people, life expectancy increases by 51.5 days.¹

Promoting Employer Programs to Lower Costs and Improve Care

Many Americans have taken to selecting more affordable health insurance coverage for themselves and their families by purchasing high-deductible health plan (HDHP) coverage. From 2006 to 2019, enrollment in employer sponsored HDHPs has increased from 6 percent to over 30 percent.² However, the escalating costs of deductibles have become increasingly problematic for patients, causing them to forgo needed health care due to upfront costs. With the Internal Revenue Service defining a HDHP as any plan with a deductible of at least \$1,350 individual/\$2,700 for a family, this has made it increasingly difficult for many Americans to afford their coverage. More than 40 percent of Americans do not have \$400 to cover unexpected costs, including their deductibles.³ This has led patients to delay seeking or continuing their care due to skyrocketing costs.

To meaningfully improve affordable access to health care, Congress should pass the [Primary and Virtual Care Affordability Act](#) (H.R. 5541), which gives employers and health plan sponsors the flexibility to waive the deductible for primary care and telehealth services through December 31,

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2023 for patients covered by HDHPs. This will ensure that patients can access primary care—both in-person and virtually—which is especially critical during the ongoing COVID-19 pandemic to keep patients out of the hospital, address lapses in care and catch them up on missed routine and preventive services.

The AAFP is also supportive of efforts to transition our health care system away from fee-for-service to value-based care. Alternative payment models provide primary care physicians with the support and flexibility they need to provide comprehensive, person-centered primary care. These models improve health outcomes and help reduce spending, which can help advance affordability. Additionally, value-based care provides a pathway to address and remove barriers to health equity through its ability to influence clinical decision-making and reimburse physicians for the quality care they provide. Congress should work with federal agencies, employers, and other stakeholders to advance model participation opportunities and improve alignment across models and payers.

We also urge Congress to pass legislation extending the 5 percent bonus for physician practices participating in advanced alternative payment models. This bonus has been instrumental in encouraging participation in alternative payment models but it is set to expire at the end of 2022. Extending the bonus will provide physician practices have the support they need to move away from fee-for-service and ensure our transition to value-based care is not stalled.

Increasing Transparency and Marketplace Innovation

The AAFP has long supported efforts to improve price transparency. We've supported regulations requiring [hospitals](#) and [health insurers](#) to publicly report charges for services and out-of-pocket costs. These policies improve data collection and enable patients and their health care teams to compare prices across facilities and insurers. As our members seek opportunities to enter into value-based care arrangements, it is critical they have access to information on provider's costs and quality performance to ensure they make informed decisions with their patients when making referrals.

Further, the AAFP supports policies, such the Medical Loss Ratio (MLR) requirements on health plans offering coverage in the individual market, as they ensure health care resources are focused on patient care rather than insurer profits or administrative expense. These federal policies have helped to advance affordability and improve equitable access to comprehensive health care coverage in the individual market.

Increasing Competition and Identifying Anti-Competitive Consolidation

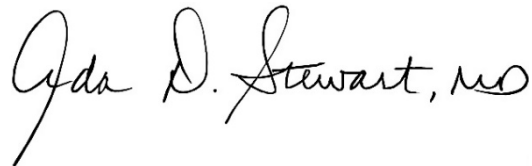
Independently practicing physicians need an environment that allows them to thrive, but the continuing consolidation of insurers and large health systems threatens their long-term viability. Consolidation increases health care prices and insurance premiums, as well as worsens equitable access to care for patients in rural and other medically underserved communities.^{4,5} Federal officials should promote payment methods that boost competition in the marketplace and create greater choice for patients.

Further, the AAFP [supports](#) site neutral payment policies and has [called for](#) an expansion of site neutrality to all on-campus and off-campus hospital-based departments, as well as other facilities.. Further implementation of site neutral payment policies across services will generate care savings that has a favorable impact on beneficiaries, the Medicare program, employers, and taxpayers.

Congress should build upon past efforts to increase site neutrality and avoid any pressures to reverse these critical changes.

The AAFP looks forward to working with the Healthy Future Task Force Affordability Subcommittee to develop policy solutions that invest in the future of primary care, and ultimately improve the health of our entire nation. If you have questions or would like to discuss our feedback in greater detail, please contact David Tully, Vice President of Government Relations, at dtully@aafp.org.

Sincerely,

A handwritten signature in black ink that reads "Ada D. Stewart, MD". The signature is written in a cursive, flowing style.

Ada D. Stewart, MD, FAAFP
Board Chair, American Academy of Family Physicians

¹ Basu S, Berkowitz SA, Phillips RL, Bitton A, Landon BE, Phillips RS. Association of Primary Care Physician Supply With Population Mortality in the United States, 2005-2015. *JAMA Intern Med.* 2019;179(4):506–514. doi:10.1001/jamainternmed.2018.7624

² Basu, D.B. (2020, June 18). A Scalpel Instead of a Sledgehammer: The Potential of Value-Based Deductible Exemptions In High-Deductible Health Plans: Health Affairs Blog. Retrieved January 22, 2021 from <https://www.healthaffairs.org/doi/10.1377/hblog20200615.238552/full/>

³ Board of Governors of the Federal Reserve System. Report on the economic well-being of US households in 2018. Published May 2019. Accessed January 22, 2021. <https://www.federalreserve.gov/publications/files/2018-report-economic-well-being-us-households-201905.pdf>

⁴ Yerramilli P, May FP, Kerry VB. Reducing Health Disparities Requires Financing People-Centered Primary Care. *JAMA Health Forum.* 2021;2(2):e201573. Available at: <https://jamanetwork.com/journals/jama-health-forum/article-abstract/2776056>

⁵ O’Hanlon CE, et al. Access, Quality, and Financial Performance of Rural Hospitals Following Health System Affiliation. December 2019. *Health Affairs.* Available at: <https://www.healthaffairs.org/doi/full/10.1377/hlthaff.2019.00918>