

January 29, 2013

The Honorable Jack Markell  
Chair  
National Governors Association  
Hall of the States  
444 N. Capitol Street, Suite 267  
Washington, DC 20001-1512

Dear Governor Markell:

On behalf of the undersigned organizations representing the majority of our nation's physicians, we write to express our strong support of the Medicaid primary care payment increase that was included in the Affordable Care Act (ACA) and recently finalized in a final rule by the Centers for Medicare & Medicaid Services (CMS). As you know, this provision increases payments for primary care services provided by certain primary care physicians for 2013 and 2014. The increased payments are funded entirely by the federal government and apply independent of whether a state chooses to move forward with Medicaid expansion.

Our organizations stand in strong support of this law because it will lead to greater access to care for Medicaid patients, which will in turn lead to better quality care and lower costs. Improving access to primary care will lower the use of emergency services, improve preventive care, and decrease costs over time. Our members are dedicated to working to ensure all patients, including low-income families on Medicaid, have access to needed primary care services. Many physicians, however, do not participate in Medicaid due to historically low payment rates that are often below the actual cost of providing care. Many studies have confirmed that physicians in states with higher Medicaid payments are more likely to accept new Medicaid patients. Increasing Medicaid payments to Medicare levels in all states will improve access to care for both current Medicaid patients and those newly eligible for Medicaid in states that expand.

We urge states to take the steps necessary to implement the primary care payment increase by filing the required State Plan Amendment with CMS as soon as possible. States have until March 31, 2013 to file their State Plan Amendments, but the earlier they complete the process, the sooner federal funds will begin to flow to the states.

It is imperative that states engage in an active communications campaign to inform all physicians about the primary care payment increase, especially physicians who have not previously participated in Medicaid. This will maximize physician participation in the program. As part of this effort we urge all governors to reach out to the organized physician community in their respective state, including the undersigned organizations and/or their state affiliates.

The Honorable Jack Markell  
January 29, 2013  
Page 2

We also encourage states to create a streamlined process for physicians to self-attest that they qualify for the increase and to allow physicians sufficient time to complete the attestation process and remain eligible for payment increases retroactive to January 1, 2013. We acknowledge the brief timeframe states have had to implement this process and possible overload of state systems and staff responsible for implementation. The Centers for Medicare & Medicaid Services has given states until March 31, 2013 to file their State Plan Amendments and still receive the federal match for qualified payments retroactive to January 1, 2013. We request states give physicians at least this timeframe to complete their self-attestations and still receive payment increases retroactive to January 1, 2013.

We will continue to promote this payment increase to our members and would be pleased to partner with you to help inform physicians in your state about this opportunity.

Sincerely,

American Medical Association  
American Academy of Family Physicians  
American Academy of Pediatrics  
American College of Physicians  
American Osteopathic Association

cc: National Governors Association Members  
Matt Salo