



November 28, 2018

The Honorable Lamar Alexander
Chairman, U.S. Senate Committee on
Health, Education, Labor, and Pensions
Washington, DC 20510

The Honorable Patty Murray
Ranking Member, U.S. Senate Committee
on Health, Education, Labor, and Pensions
Washington, DC 20510

Dear Chairman Alexander and Ranking Member Murray:

On behalf of the American Academy of Family Physicians (AAFP), which represents 131,400 family physicians and medical students across the country, I write to share the organization's views on health care innovation in response to the committee's hearing, "Reducing Health Care Costs Through Innovation." AAFP appreciates the opportunity to highlight primary care innovations including Advanced Primary Care, broader systems to address Social Determinants of Health, Direct Primary Care, and Independence at Home.

The benefits of primary care access are well-understood. U.S. states with higher ratios of primary care physician-to-population ratios have better health outcomes, including lower rates of all causes of mortality: mortality from heart disease, cancer, or stroke; infant mortality; low birth weight; and poor self-reported health. The impact of better ratios holds true even after controlling for sociodemographic measures (percentages of elderly, urban, and minority; education; income; unemployment; pollution) and lifestyle factors (seatbelt use, obesity, and smoking).

Advanced Primary Care

Advanced primary care activities and demonstrations are new delivery models focused on patient needs where primary care serves as a robust foundation for maximizing value in health care delivery. An investment in advanced primary care has been shown to spur better health outcomes and lower costs. In its sentinel research [report](#), the Patient-Centered Primary Care Collaborative's 2018 indicates that that new primary care delivery models, namely patient-centered medical homes (PCMH), played an integral role in the success of some accountable care organizations. Utilizing both the 2014 Medicare Shared Savings Program (MSSP) data set and the National Committee for Quality Assurance (NCQA) PCMH data set, the study documented that Medicare ACOs emphasizing broad adoption of the PCMH model had a higher likelihood of producing important savings, earned higher quality scores, and showed positive patient outcomes. On average, the programs with the higher number of PCMH primary care practices produced savings at 1.2 percent as compared to .6 percent for those with no advanced primary care practices.

In addition, ACOs with a strong emphasis on the PCMH model were associated with higher pneumococcal vaccination and depression screening scores. They also demonstrated better tobacco screening and cessation rates, and higher diabetic and coronary artery disease composite scores. The PCPCC study provides valuable information about the important

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synergies associated with advance primary care delivery and ACOs, but more research is needed to understand how to generate greater savings and evaluate programs' longitudinal health outcomes.

Social Determinants of Health

There are numerous exciting advances associated with health care delivery that better address the critical role that social determinants of health (SDOH) play in overall health care delivery improvements. A 2018 Health Affairs [report](#) suggests that community financing programs targeted at addressing SDOH are improving health outcomes, reducing health disparities, and reducing cost. Family physicians play an important role in identifying and addressing the social determinants of health for individuals and families, incorporating this information in the biopsychosocial model to promote continuous healing relationships, whole-person orientation, family and community context, and comprehensive care.

To support that mission, the AAFP established its Center for Diversity and Health Equity to provide opportunities to become a more thoughtful and visible leader in addressing SDOH. The AAFP has developed a new SDOH screening [tool](#) as part of an initiative called the EveryONE Project, and actively promotes this tool to our 131,400 members. The Academy also offers family physicians use of the AAFP's nationwide [Neighborhood Navigator](#) referral network, which connects patients to food, housing and other resources to address SDOH based on their individual needs. AAFP also conducted a 2017 survey that found that nearly 60 percent of family physician respondents currently screen patients for SDOH and 52 percent follow up on identified needs by referring patients to community-based social services. As with other innovations, systems designed to address SDOH merit federal review to understand and promote best practices, identify opportunities for public-private partnerships, and bring promising programs to scale.

Direct Primary Care

The Direct Primary Care (DPC) innovation model is a practice and payment model where patients pay their physician or practice directly in the form of periodic payments for a defined set of primary care services. DPC practices typically charge patients a flat monthly or annual fee, under terms of a contract, in exchange for access to a broad range of primary care and medical administrative services.

The DPC practice framework includes any practice model structured around direct contracting with patients/consumers for monthly or annual fees. For primary care services, DPC can replace the traditional system of third party insurance coverage. Typically, these periodic payments provide patients enhanced services over traditional fee-for-service medicine. Such services may include real time access to their personal physician via advanced communication technology, extended visits, home-based medical visits, and highly personalized, coordinated, and comprehensive care administration.

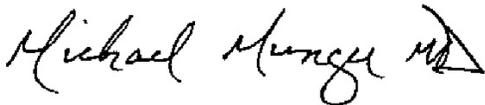
The AAFP supports the physician and patient choice to, respectively, provide and receive healthcare in any ethical healthcare delivery system model, including the DPC practice-setting. The Academy has supported the *Primary Care Enhancement Act of 2017* (S. 1358), introduced by Senators Bill Cassidy and Maria Cantwell, to allow HSA enrollees to contract for services from a DPC practice and pay for it through the Health Savings Account structure. It is our hope that DPC is included in statutory health innovations as a high quality, patient-centered option.

Independence at Home

The AAFP also supports the Independence at Home program, a demonstration that provides high-quality primary care for Medicare patients with severe chronic illnesses and disabilities. We are pleased the Bipartisan Budget Act of 2018, passed by Congress and signed by the President on February 9, 2018, extended the Independence at Home demonstration for two years. The program is based on 20 years' worth of data showing that home-base primary care is an effective way to deliver care for seriously ill patients and to produce savings. Research [shows](#) that the demonstration program produced high quality care for seniors with chronic diseases and met their complex needs. We urge the committee to examine this program as its health care review process continues.

We appreciate the opportunity to share innovative health care programs. Please contact Sonya Clay, Government Relations Representative, at 202-232-9033 or sclay@aafp.org with any questions or concerns.

Sincerely,

A handwritten signature in black ink that reads "Michael Munger MD". The signature is written in a cursive style with a stylized "M" and "D" at the end.

Michael L. 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.