



April 18, 2019

The Honorable Bob Paul Wieland  
Chair  
Senate Insurance and Banking Committee  
201 West Capitol Avenue  
Room 319  
Jefferson City, MO 65101

The Honorable Mike Cunningham  
Vice Chair  
Senate Insurance and Banking Committee  
201 West Capitol Avenue  
Room 320  
Jefferson City, MO 65101

Dear Senators,

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 support of Senate Bill 417.

This legislation, the Primary Care Transparency Act, would increase health care spending transparency in primary care. Although primary care is critical, the percentage of our health care dollar supporting it is not well known. Studies suggest that the amount spent on primary care in the United States only accounts for 5-8% of overall national health care expenditures.

The Primary Care Transparency Act would require all health insurance carriers to report to the Director of the Department of Insurance, Financial Institutions and Professional Registration (DIFP) their total health care medical expenditures and their total primary care medical expenditures for the year by March 1 each year. The DIFP would then submit an annual report to the General Assembly.

There is a growing body of evidence proving the value of increased investment in primary care. According to the Center for Evaluative Clinical Sciences at Dartmouth (now called the Dartmouth Institute for Health Policy and Clinical Practice), U.S. states that rely more on primary care have lower Medicare spending (inpatient reimbursements and Part B payments); lower resource inputs (hospital beds, intensive care unit [ICU] beds, total physician labor, primary care labor, and medical specialist labor); lower utilization rates (physician visits, days in the ICU, days in the hospital, and patients seeing 10 or more physicians); and better quality of care (fewer ICU deaths and a higher composite quality score).<sup>1</sup> Extensive worldwide research supports the value of a primary care based health care system in which all people enjoy adequate and affordable coverage.<sup>2</sup> The framework is grounded in the documented value of primary care in achieving better health outcomes, higher patient satisfaction, and more efficient use of resources.

<sup>1</sup> Dartmouth Atlas of Health Care Working Group. The care of patients with severe chronic illness: an online report on the Medicare program by the Dartmouth Atlas Project. 2006.

<sup>2</sup> Patient-Centered Primary Care Collaborative. Results and evidence. <https://www.pcpcc.org/results-evidence>

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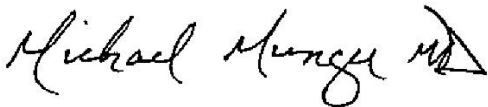
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Oregon and Rhode Island have implemented similar measures and found their investment in primary care to be unsatisfactory. Based on the information gathered through the annual primary care transparency reports, each state has taken steps to address this disparity in a way that makes sense for their state's respective needs.

A fundamental change in the health care system to prioritize a primary care-based system is essential to improvements in access, quality, and cost. It's time we discuss the importance of primary care and evaluate our investment. We urge Missouri to pass SB 417, the Primary Care Transparency Act.

We appreciate the opportunity to provide our support for this legislation. Please contact Robert Hall, JD, Director of Government Relations at AAFP at [rhall@aafp.org](mailto:rhall@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 small "MD" at the end.

Michael L. Munger, MD, FAAFP  
Board Chair