AMERICAN ACADEMY OF FAMILY PHYSICIANS

Outside Witness Testimony to Senate Appropriations Subcommittee on Labor, Health and Human Services, & Education, and Related Agencies – Fiscal Year 2021

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On behalf of the American Academy of Family Physicians (AAFP), which represents 136,700 family physicians and medical students across the country, I urge you to prioritize primary care in your FY 2021 spending bills. Family physicians are specialists with training to provide the full scope of care to patients of all ages and are caring for the populations most vulnerable to COVID-19. According to a recent survey[1], 47% of primary care clinicians report they have laid off/furloughed staff, two-thirds report that less than half of what they do is reimbursable, and 45% are unsure if they have the funds to stay open for the next four weeks. Primary care practices already have financially thin operating margins, The AAFP therefore asks that the Committee provide the following appropriations for the agencies and programs in the Department of Health and Human Services (HHS) which our members and their patients rely on for access to care, the research to improve efficacy and safety, essential family physician workforce programs, and disease prevention and health promotion efforts.

Centers for Medicare & Medicaid Services (CMS)

We appreciate the swift action of the Congress to enact programs to respond to the pandemic and steps taken by HHS and the Centers for Medicare & Medicaid Services (CMS), but more support is needed for primary care if we wish to maintain a viable health care system throughout the pandemic and into the future.

The AAFP urges Congress to **codify the Medicare Accelerated and Advanced Payment (AAP) program for Part B providers and extend it until at least the end of 2020.** The abrupt suspension of the AAP for Part B providers negatively impacted primary care physicians and hindered their ability to maintain practice operations in the midst of this pandemic. This mechanism, which was voluntary, provided an ability to stem some of the losses that primary care physicians are experiencing. While we were concerned with the short repayment deadline and high interest rate, we believe that the program was an important component of a multi-faceted strategy to get critical support to primary care and we urge you to reinstate and extend it.

The COVID-19 pandemic has underscored that fee-for-service is an inappropriate structure to meaningfully resource primary care. This public health emergency should accelerate shifts to more sustainable models of care such as prospective, global payments for primary care. Several models have shown promise by resourcing practices in a prospective manner to allow for investments and resources to treat their population while balancing the need to deliver specialized care based on unique patient needs. Primary Care First, which has been approved by HHS for implementation in January 2021 on a limited scale, is one such model for achieving this. **Congress should direct the Secretary of HHS to immediately expand Primary Care First (PCF) as a national model and allow all primary care physicians, on a voluntary basis, to begin participating in the model beginning January 1, 2021.**

Payment rates in PCF should reflect the final 2020 Medicare Physician Fee Schedule (MPFS) rule, in which CMS wisely adopted payment changes to address the undervaluation of E/M office/outpatient visit services to take effect in 2021. In addition to reopening and expanding PCF participation for 2021, the AAFP also recommend that CMS add a 2022 program start date for physicians who are

[1] Etz, Rebecca "Quick COVID-19 Primary Care Survey" https://www.pcpcc.org/2020/04/23/primary-care-covid-19-week-6-survey

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eager to move into the model but require more time to do so. It is time that we fundamentally change how primary care is financed by providing prospective payments to all primary care physicians participating in Medicare coupled with expanding Primary Care First as an appropriate bridge to a new future.

CMS will require an adequate appropriation for program management to meet the current and future needs of the millions of Americans enrolled in Medicare, Medicaid, the Children's Health Insurance Program and private insurance coverage in the Marketplace. **The AAFP asks that the Committee provide CMS with at least $3.7 billion for program management.**

Immediate Financial Relief for Primary Care
Congress should authorize an additional $20 billion for HHS' Provider Relief Fund or direct HHS to set-aside $20 billion of the current Fund specifically for physicians and physician practices. The AAFP recommends that HHS prioritize financial support to primary care physicians – defined as family medicine, pediatrics, general internal medicine and geriatrics – by distributing provider relief funds using the foundation of the previously used model as follows:

> Provide a one-time payment that is equal to the total Medicare fee-for-service payments distributed to each eligible NPI and/or TIN for July through December 2019 multiplied by 3 to accommodate for lost revenue from traditional Medicare, Medicaid, Medicare Advantage and commercial insurers.
>
> [Total Medicare FFS Payments (July – December 2019) x 3 = Payment per primary care physician]

We believe that building on this existing formula allows HHS to quickly and efficiently distribute financial support to primary care practices.

<u>Health Resources and Services Administration (HRSA)</u>
The AAFP opposes the proposed cuts of $742 million in HRSA's discretionary FY 2021 budget proposal and calls for **$8.8 billion for HRSA** programs in FY 2021. The AAFP supports the bipartisan request of **$512 million for the HRSA Title VII health professions programs** in FY 2021. In particular, we recommend **$125 million for the Title VII** Primary Care Training & Enhancement which supports family medicine residencies and departments. These funds are needed to support faculty retention, recruit and retain students into primary care, develop new curriculum related to pandemic, and meet the need to increase the number of full scope primary care physicians to care for patients throughout the nation.

In addition, the AAFP requests that the Committee fund the **Title VII Diversity Pipeline Programs, Health Careers Opportunity Program, Centers of Excellence, Faculty Loan Repayment, and Scholarships for Disadvantaged Students at $100 million** in FY 2021. The AAFP also requests **$45.4 million for the Title VII Area Health Education Centers** to provide grant support for health professions workforce development in shortage areas.

Another important health professions workforce initiative administered by HRSA is the Rural Residency Planning and Development Program. The AAFP asks that the Committee provide **$11 million for the HRSA Rural Residency Planning and Development Program** to support the development of new rural residency programs or Rural Training Tracks in family medicine, internal medicine and psychiatry. Most of the 62 million people living in a rural community or county depend on a family physician for their health care. The AAFP welcomes this important initiative to address rural training challenges as a way to reduce health care disparities facing rural communities.

The programs administered by HRSA's Office of Rural Health Policy work to reduce the unique obstacles faced by physicians and patients in rural areas. The impact of COVID-19 has been and will continue to be devastating for the nation, but rural communities and the family physicians who care for them are uniquely challenged by this pandemic in significant and consequential ways. The

AAFP strongly supports an increased investment in the Office of Rural Health Policy to support the following programs:

- **Rural Outreach Network Grants ($87.5 million)**, a community-based grant program aimed towards promoting rural health care services by enhancing health care delivery in rural communities.
- **Rural Research and Policy Analysis ($11.4 million)**, the only federal research program entirely dedicated to producing policy-relevant research on health care and population health in rural areas.
- **State Offices of Rural Health ($12.5 million)**, a grant program is to assist states in strengthening rural health care delivery systems.
- **Rural Communities Opioid Response ($121 million)**, funds multi-sector consortia to enhance their ability to implement and sustain SUD/OUD prevention, treatment, and recovery services in underserved rural areas.
- **Rural Hospital Flexibility Grants Program ($59 million)** to support critical access hospitals (CAHs) in quality improvement, quality reporting, performance improvement, and benchmarking; to assist facilities seeking designation as CAHs; and to create a program to establish or expand the provision of rural emergency medical services.

The AAFP commends the Committee for expanding in FY 2020 the **Rural Maternity and Obstetrics Management Strategies (RMOMS) Program and urge that it be increased again to $9.9 million.** In addition, we recommend that the Committee provide **$31.9 million for the Office for the Advancement of Telehealth**, including the telehealth Network Grant Program for telehealth funding for the Small Rural Hospital Improvement Grant Program as recommended by the National Rural Health Association.

HRSA also administers the National Health Service Corps (NHSC) which is plays a vital role in addressing the challenge of regional health disparities arising from physician workforce shortages by offering financial assistance to meet the workforce needs of communities designated as health professional shortage areas. The AAFP recommends that the Committee provide **$132 million in discretionary funding for the NHSC in FY 2021**, and we are working with NHSC stakeholders to strongly urge Congress to provide a long term extension of the program's mandatory trust fund.

The AAFP supports continued funding for HRSA's Title X federal grant program dedicated to providing women and men with comprehensive family planning and related preventive health services. The AAFP strongly recommends adequate funding to support Title X clinics which offer necessary screening for sexually transmissible infections, cancer screenings, HIV testing, and contraceptive care of **$286.5 million for HRSA's Family Planning Grants in FY 2021**.

Agency for Healthcare Research and Quality (AHRQ)

Expanding the capacity for practice-based research supported by the Agency for Healthcare Research and Quality (AHRQ) is particularly critical in the face of the changes in medical practice brought on by COVID-19. AHRQ-supported research has long been important to providing the evidence basis for the comprehensive primary care medicine practiced by America's family physicians. While the AAFP initially supported the Friends of AHRQ request for FY 2021 of **$471 million in budget authority for AHRQ**, which is consistent with the FY 2010 level adjusted for inflation, Congress must do more than just allow AHRQ to rebuild portfolios terminated as a result of years of past cuts.

The AAFP urges the Committee to provide an additional **$71 million to AHRQ in the next COVID-19 relief measure** to allow the agency to assess how physicians, health care professionals, hospitals, and health systems are responding to COVID-19. It is critical to evaluate the impact on health care of the rapid expansion of telemedicine during the outbreak and to explore strategies to reduce needless administrative burden related to telemedicine. Clearly, COVID-19 has had an impact on medical

practice, and AHRQ is uniquely qualified to research its impact on quality, safety, and value of health systems' response. Further, AHRQ-support research should examine the role of primary care practices and professionals during the pandemic. Since patients have put off going to see their family physician during the pandemic for non-coronavirus-related needs, the impact on patients from deferred primary care must also be studied. In addition, it is imperative that AHRQ explore how to alleviate physical and emotional burdens on physicians, patients, and communities.

Centers for Disease Control and Prevention (CDC)

In the midst of the COVID-19 pandemic, Congress must reject the proposed $693 million in cuts to the Centers for Disease Control and Prevention (CDC) in the FY 2021 budget request. The AAFP urges that the Committee provide at least **$8.3 billion in your FY 2021 bill for the broad portfolio of prevention and public health programs administered by the CDC**. Family physicians provide preventive care, including routine checkups, health risk assessments, immunization and screening tests, and personalized counseling on maintaining a healthy lifestyle. The AAFP is one of over 100 organizations supporting the 22 by 22 campaign urging Congress to increase funding for the CDC by 22 percent by fiscal year 2022.

The COVID-19 pandemic is changing rapidly and requires different strategies to maintain clinical preventive services, including immunization. The AAFP supports the important role in of the **CDC's National Center for Immunization and Respiratory Diseases programs and urge that the Committee provide at least $830 million** for current programs and such sums as are needed when a COVID-19 vaccine is approved.

Although CDC has a high profile role in addressing the COVID-19 pandemic, it continues to work on a wide variety of unrelated projects that are designed to improve the nation's health. The AAFP recently promoted to our members the many public awareness campaigns available from the CDC's Division of STD Prevention. In February of 2020, we provided the CDC's first comprehensive guidelines for the treatment of latent tuberculosis infection. So, we were pleased that the FY 2021 budget proposal included an increase for the CDC HIV/AIDS, Viral Hepatitis, Sexually Transmitted Infections and Tuberculosis line to $1.55 billion to increase the investment in both domestic HIV/AIDS prevention and research and infectious diseases and the opioid epidemic. We ask that the Committee provide at least **$1.55 billion for the CDC HIV/AIDS, Viral Hepatitis, Sexually Transmitted Infections and Tuberculosis**.

The AAFP values the CDC Chronic Disease Prevention and Health Promotion funding to support our efforts to prevent and control chronic diseases and associated risk factors and reduce health disparities. We appreciate that the Committee rejected the eliminations proposed in FY 2020 for this important activity and increased its appropriation to $1.24 billion and encourage the Committee to provide **$1.25 billion for CDC Chronic Disease Prevention and Health Promotion** in FY 2021.

Smoking directly contributes to the deaths of more than 440,000 Americans annually, and the AAFP has called for bold new initiatives are necessary to decrease the harm caused by tobacco and nicotine use. We appreciate that the Committee increased funding for CDC Office on Smoking and Health (OSH) by $20 million in FY 2020 to $230 million, and we believe that additional investments in tobacco prevention and cessation will save lives and reduce the cost of treating tobacco-caused disease. The AAFP recommends that you to increase funding for **CDC's OSH to $310 million** to enable CDC to address the new challenges posed by e-cigarettes while continuing to make progress reducing the death and disease caused by other tobacco products.

The United States nationally is in the acceleration phase of the pandemic. On behalf of our patients and our communities, the AAFP urges the Committee to take prompt action on these vital priorities so that we can return to our important work of providing preventive medical care – including vaccinations, managing chronic diseases, and promoting overall population health and wellness in our communities.

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