



June 5, 2019

The Honorable Lamar Alexander
Chair, Senate Health, Education, Labor
and Pensions Committee
Washington, DC 20510

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

Dear Chairman Alexander and Ranking Member Murray:

On behalf of the American Academy of Family Physicians (AAFP), which represents 134,600 family physicians and medical students across the country, I write to share the organization's feedback on the draft bill, the *Lower Health Care Costs Act*.

The AAFP is pleased that the committee has held hearings to examine health care costs and numerous potential solutions such as primary care [innovations](#), prevention, and delivery system reforms. During that process, the AAFP shared commentary about the importance of investing in primary care and increasing access for patients, particularly those in underserved [communities](#) and those with chronic health conditions.

The AAFP continues to promote an increased investment in primary care as the key policy lever that is best positioned to improve health outcomes and lower per-capita spending on health care. This conclusion is supported by a strong body of evidence that has been published over the past two decades. It also is demonstrated in the performance of health systems in the United States and across the world that have made a commitment to health care systems built on a robust primary care foundation.

We are pleased to highlight the following policies with potential for achieving health care savings along with recommendations for strengthening those initiatives.

Section 101- Out-of-network deductibles. The bill reduces surprise billing by requiring emergency health care charges to be counted towards the patients' deductible. The AAFP supports this policy. We urge the inclusion of policies to reduce hospital admissions by increasing the number of primary care visits for patients with high deductible health plan (HDHPs), defined as any plan with a deductible of at least \$1,350 for an individual or \$2,700 for a family.¹

Research indicates that individuals with HDHPs are more likely to reduce both necessary and unnecessary care.ⁱⁱ According to the U.S. Centers for Disease and Prevention's report: *Financial Barriers to Care: Early Release of Estimates From the National Health Interview Survey, 2016*; "Among privately insured adults aged 18–64 with employment-based coverage, those enrolled in an HDHP were more likely than those enrolled in a traditional plan to forgo or delay medical care and to be in a family having problems paying medical bills."

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The *Primary Care Patient Protection Act of 2019* (HR 2774) addresses this concern by increasing the number of primary care visits patients can access without cost sharing. If implemented, patients will be able to access one preventive visit and two additional visits. In practical terms, individuals could seek care acute care, like injuries or upper respiratory infections without delay. This also benefits patients with chronic health conditions, like those with diabetes, who require regular testing and monitoring. The bill mirrors some key elements of the successful medical home model where patients with a usual source of primary care have better health care outcomes and costs are lower. The state of Oregon established a Patient-Centered Primary Care Home program that saved \$240 million in three years. A [study](#) showed that for every \$1 spent in advanced primary care practice, \$13 were saved within the health care system.

Section 102 – Protection against surprise bills. According to a 2015 Consumer Reports survey, one-third of privately insured Americans received a surprise bill they did not fully understand.ⁱⁱⁱ The AAFP supports efforts to address this issue and supported a February 7, 2019 joint [letter](#) along with numerous medical societies outlining key principles and urging action on this issue.

Section 203 – 205 - Generic drug access and competition. The AAFP strongly supports the bill's legislative initiatives to increase access to generic drugs through improved market competition. Specifically, the AAFP supports policies under Section 203 and Section 205 to prevent generic drug applicants from using the "first to file" process to hinder competition for other generic drugs. We encourage the committee to include additional [policies](#), such as the *CREATES Act*.

Section 301- Quality Information. The AAFP supports the bill's ban on gag clauses in contracts with providers and health plans that prevent enrollees from seeing cost and quality data. The AAFP believes transparency can help encourage consumer choice and help reduce spending. We also believe the data and analysis utilized should be consistent with important principles centered on evidence, clinical outcomes, and the doctor-patient relationship.

While physician performance programs are developed to provide cost and quality data to physicians and patients, their value should be weighed against the subsequent administrative burden. A 2016 [study](#) published in *Health Affairs* indicated that physicians in primary care and four specialties spend an average of 785 hours per year on various quality reporting activities. This translates into \$15.4 billion invested in this activities. In addition, family physicians must have an opportunity to review payer performance profiles prior to them being publicly reported. Payers must establish and communicate a reasonable, formalized reconsideration process in which physicians can appeal their performance rating/designation(s).

Section 303 – 304 - Transparency and Directories

The bill recommends the creation of a non-governmental nonprofit entity tasked with improving healthcare cost transparency. It creates an advisory committee and authorizes grants to states for similar initiatives. It also requires health plans to have up-to-date directories of their in-network physician sand should be available online or within 24 hours of inquiry. The AAFP supports the bill's transparency proposals and welcomes the opportunity to work with policymakers to achieve this goal.

Section 306 – Timely bills. The AAFP supports the bill's transparency requirement that patients receive a list of services received upon discharge. However, we strongly oppose the legislative requirement all bills to be sent within 30 business days. If received more than 30 days

after receiving care, the patient would not be obligated to pay. The legislation also requires facilities and providers to allow 30 days to pay. While we support efforts to improve the patient experience and make health care more transparent, this mandate should not be established arbitrarily. The AAFP urges physicians to bill patients in a timely manner and to utilize technology whenever possible. Still, there are variables to consider that are beyond a provider's control, such as patients whose address may have changed and insurers' processing delays. Again, we welcome the opportunity to improve this system.

Section 309 – Service transparency. The AAFP supports the goal of improving health care transparency, however, we strongly believe there is a better way of achieving this goal without adding unnecessary burdens. The legislation requires providers and health plans to give patients a good faith estimate of their expected out-of-pocket costs for health care services or any other services that may be provided within 48 hours of the request. We believe this goal could be better achieved by utilizing technology and web-based platforms to help facilitate patient decision making and provide accurate out-of-pocket estimates based on claims data.

Section 401 – 402 Vaccine Research and Outreach

The AAFP strongly supports the bill's inclusion of the VACCINES Act. Immunizations are an integral part of the practice of family medicine and represent a public health success story. Still, the CDC recently announced that measles outbreaks are undermining the goal of eliminating the disease in the United States. Many factors contribute to the spread of vaccine-preventable disease. Therefore, the AAFP strongly supports the VACCINE Act's inclusion into the health care savings bill and welcomes the opportunity to not only address vaccine-hesitant individuals, but also barriers that exist in outpatient settings.

In an April 30 [letter](#), dozens of public health and medical societies urged members of Congress to support a Government Accountability Office report on the challenges within practice settings. For example, physicians often have limited supplies of vaccines. As a result, low-income patients may not be able to be immunized when the supplies run out. We believe that a GAO study conducted among several specialties could help to identify additional strategies for improving immunization rates, particularly for adults. A study published in a 2016 *Health Affairs* [article](#) indicated that the cost of unvaccinated adults was \$7.1 billion. Reducing vaccine-preventable diseases can help improve health, save lives, and reduce health care spending.

Section 403 – Obesity. One of the leading causes of preventable disease is overweight and obesity. We are pleased the bill supports the creation of evidence-based obesity prevention guides and support for public health departments in advancing this effort.

Section 405 - Public health data modernization. Public health surveillance is integral to the work of advancing public health, care delivery, and patient outcomes. The AAFP supports language to provide grants to improve state public health technology systems and interoperability, including with physicians. Therefore, investments in informatics and technology are critical. The AAFP is strongly committed to the concept of primary care and public health integration, and recognizes that data interoperability is an important part of improving how we operate and supporting our patients' health.

Section 404 – Expanding capacity for health outcomes. The AAFP appreciates efforts to improve access to health care utilizing technology as outlined in Section 405. Decades of research indicate that access to primary care is associated with improved health outcomes and higher quality care. It is also well understood that individuals in rural areas lack access to subspecialists, who tend to live in urban and suburban areas. Access to primary care physicians

is also a challenge for rural patients. A 2015 Medicare [survey](#) indicates that rural patients were more likely to access primary care from a nurse practitioner or physician assistant than their urban counterparts. Therefore, the learning collaborative programs should emphasize increasing access to primary care and should not rely solely on subspecialists. Understanding that physicians in underserved communities might benefit from having additional resources, the AAFP urges the committee to ensure that programs prioritize primary care-centered learning.

Section 406 – 410 Maternal Health. Currently, the United States has the highest maternal mortality rate among developed nations.^{iv} This statistic is particularly high among vulnerable populations, such as African-American and rural women. The AAFP is committed to addressing the nation’s maternal mortality crisis. We support the bill’s language to improve maternal health quality and to promote best practices. Furthermore, in 2018, we created a new [initiative](#) to highlight this issue within family medicine. The AAFP also support the grants, research, and quality collaborative programs to promote high quality and unbiased prenatal and postpartum care, and to reduce health care disparities.

Section 501 – Health Claims Data. The AAFP supports policies to increase transparency as a way of reducing surprise billing. We support the bill’s requirement that health insurers make more data available, including claims data and information relevant to network practitioners and out-of-pocket costs. According to a 2018 Kaiser Foundation poll, 39% of insured adults ages 18-64 said they'd been billed unexpectedly in the past year after receiving care from a doctor, hospital or lab that they thought was covered and their health plan either didn't cover the bill at all or covered less than they expected.^v The AAFP supports efforts to improve the patient experience, including requirements to increase access to health claims data.

Section 502 - 503 – Patient Privacy and Cybersecurity. The AAFP supports the bill’s requirement to mandate a GAO report on privacy gaps associated with the use of health care applications that do not have to comply with health privacy rules. We also support the bill’s language to encourage the adoption of cybersecurity best practices. Technology is an important element necessary to promote population health and payment reform. But, there is still more progress necessary to ensure that systems are safe and utilize current best practices.

Electronic health information communication systems must be equipped with appropriate safeguards (e.g., encryption; message authentication, user verification, etc.) to protect physician and patient privacy and confidentiality. Individuals with access to electronic systems should be subject to clear, explicit, mandatory policies and procedures regarding the entry, management, storage, transmission and distribution of patient and physician information. As the AAFP has expressed in a 2018 [letter](#) to the Centers for Medicare & Medicaid Services, efforts to increase health data access and to increase health technology usage are important, but the essential privacy and security standards should be the responsibility of the vendors.

For more information, please contact Sonya Clay, Government Relations Representative, at 202-232-9033 or sclay@aafp.org.

Sincerely,



Michael L. Munger, MD, FFAFP
Board Chair

ⁱ Internal Revenue Service, Publication 969 (2018), Health Savings Accounts and Other Tax-Favored Health Plans, accessed online: https://www.irs.gov/publications/p969#en_US_2018_publink1000204030

ⁱⁱ :High-Deductible Health Plans,” Health Affairs Health Policy Brief, February 4, 2016, DOI: 10.1377/hpb20160204.950878. accesses online:

<https://www.healthaffairs.org/doi/10.1377/hpb20160204.950878/full/>

ⁱⁱⁱ Consumer Reports, Surprise Medical Bills Survey Report Publics, 2015, accessed online:

<https://advocacy.consumerreports.org/research/surprise-bills-survey/>

^{iv} *Deadly delivery : the maternal health care crisis in the USA*. Amnesty International. London, England: Amnesty International Publications. 2010. ISBN 9780862104580. OCLC 694184792.

^v Kaiser Family Foundation, 2018, Pre-Existing Conditions and Surprises on Medical Bills. Accessed online: <https://www.kff.org/health-reform/poll-finding/kaiser-health-tracking-poll-late-summer-2018-the-election-pre-existing-conditions-and-surprises-on-medical-bills/>