

October 11, 2019

The Honorable Donald J. Trump President, United States of America The White House Washington, DC

Dear Mr. President:

I write on behalf of the American Academy of Family Physicians (AAFP) and the 134,600 physicians and medical students we represent to share our views on the Executive Order - "Protecting and Improving Medicare for Our Nation's Seniors" - that you issued on October 3, 2019. The AAFP appreciates the Administration's continued efforts to improve our health care system and we look forward to working with White House staff and the Secretary of Health and Human Services on many of the proposed policies included in the Executive Order.

There are numerous policies included in the Executive Order that the AAFP strongly supports. Those are:

Administrative Complexity & Burden – the AAFP shares your desire to take accelerated steps to reduce the administrative burden placed on family physicians participating in the Medicare program. It is well documented that the complexity and costs of complying with current administrative requirements in the Medicare program are having a profoundly negative impact on the economic viability of family medicine practices, distracting physicians from patient care, creating patient safety hazards and destroying physicians' professional satisfaction. The AAFP and our members strongly support your efforts on this issue.

Site Neutral Payments - we applaud your continued commitment to creating site-neutral parity in payments for health care services. Current policies that provide differential payments based solely on the site where services are provided are not warranted. Furthermore, these payment differentials create an imbalance in the marketplace which drives consolidation, reduces consumer choice and leads to higher prices for patients. Hospitals face unique economic and revenue challenges which we admit should be addressed in payment policies. However, we firmly reject the idea that differential payments based on site of service is the appropriate way to address these challenges. The AAFP and our members strongly support your efforts on this issue.

Network Adequacy - the AAFP welcomes an opportunity to work with the Administration on ensuring appropriate access to family physicians. The fluidity of Medicare Advantage (MA) networks coupled with the one-sided, insurance dominated, contracting process should be evaluated and reformed. It is our general position that all family physicians should be considered in-network for all MA plans unless there are extraordinary reasons for exclusion.

While there are recommendations we support, there also are recommendations that raise serious concerns and one specific provision that the AAFP strongly opposes. Those are:

President Gary LeRoy, MD Dayton, OH

Speaker Alan Schwartzstein, MD Russell Kohl, MD Oregon, WI

President-elect Board Chair Ada Stewart MD John Cullen, MD Columbia, SC Valdez, AK

Vice Speaker

Stilwell, KS

Executive Vice President Douglas E. Henley, MD Leawood, KS

Directors Sterling Ransone, MD, Deltaville, VA Windel Stracener, MD, Richmond, IN Erica Swegler MD, Austin, TX James Ellzy, MD, Washington, DC Dennis Ginarich, MD, Hershev, PA Tochi Iroku-Malize, MD, Bay Shore, NY

STRONG MEDICINE FOR AMERICA

Andrew Carroll MD Chandler AZ Steven Furr, MD, Jackson, AL Margot Savoy, MD, Media, PA Brent Sugimoto, MD (New Physician Member), Bichmond, CA Kelly Thibert, DO, MPH (Resident Member), Columbus, OH Margaret Miller (Student Member), Johnson City, TN

<u>Traditional Medicare</u> – while the AAFP views the Medicare Advantage program favorably, we do urge caution against prioritizing the program over the traditional Medicare program. Despite the rapid growth of the MA program, a majority of seniors continue to reside in areas where an MA plan is not available. To ensure equity in access and affordability for all seniors, it is imperative that the traditional Medicare program be preserved and improved.

<u>Non-Physician Providers</u> – the AAFP opposes recommendations included in the Executive Order that seek to eliminate supervision requirements and create parity in payments between physicians and non-physician providers. While we fully support team-based care and share the Administration's desire to see a more inclusive practice environment, it is critical to understand that while all members of the health care team are important, they are not interchangeable. Likewise, it is essential that all health care team members practice to the extent of their documented training, experience, and demonstrated competence and not based upon their license status. We strongly disagree that greater collaboration can be achieved through the independent practice for non-physicians. Furthermore, creating equity in payments would not only disincentivize team-based care, it would facilitate increases in volume of low-value care by non-physicians.

<u>Private Contracting</u> – while the AAFP is supportive of patient choice and freedom to select their primary care team, we do wish to raise some concerns about creating the ability of patients to forgo all Medicare coverage outright. The AAFP is a strong supporter of the ability of patients to engage in direct contracting arrangements with their family physician and we are interested in exploring how this could be incorporated into the Medicare program. However, we would urge caution against expanding direct contracting beyond primary care. The Medicare program was created in large part to protect individuals from economic loss associated with high-cost health care events. Allowing seniors the ability to individually navigate the health care system, negotiating their own terms with hospitals, long-term care, physicians, etc – would create tremendous challenges and likely would not produce improvements in quality and cost.

Again, thank you for efforts to ensure accessible and affordable health care for our nation's seniors. The AAFP looks forward to working with the Secretary and appropriate White House staff on developing and implementing policies that will improve the Medicare program for seniors and their family physicians. Please contact R. Shawn Martin, Senior Vice President at <u>smartin@aafp.org</u> for additional information on AAFP policies or for engagement on the important work you have proposed in the Executive Order.

Sincerely,

John S. Cullen, MD, FAAFP Board Chair

C: The Honorable Alex Azar, Secretary, Department of Health & Human Services The Honorable Seema Verma, Administrator, Centers for Medicare & Medicaid Services