ACP
AMERICAN COLLEGE OF PHYSICIANS
INTERNAL MEDICINE | *Doctors for Adults®*

January 26, 2009

Honorable Max Baucus
United States Senate
Washington, D.C. 20510

Re: ACP recommendations for the economic stimulus legislation

Dear Senator Baucus:

I am writing on behalf of the American College of Physicians (ACP), representing 126,000 internal medicine physicians and medical student members. ACP is the nation's largest medical specialty society and its second largest physician membership organization. The College is pleased that the new Congress and President are committed to responding swiftly to the economic downturn by providing critical tax, health and unemployment relief to American families while also encouraging businesses to create new jobs.

ACP views the recovery package as an excellent opportunity to make a down payment on comprehensive health care reform.

This down payment should help people who are at risk of losing their health insurance, begin to address a profound shortage of primary care physicians and non-physician clinicians which would severely and negatively impact efforts to reform our health care system and assist physician practices in acquiring the health information systems to become Patient-Centered Medical Homes:

Coverage: We are pleased with the provisions in H.R.1, the American Recovery and Reinvestment Act, that would help maintain health insurance for people who have lost their jobs in this recession.

- **We agree with providing a temporary increase in federal matching funds to states for Medicaid and SCHIP to be used to maintain current levels of Medicaid and SCHIP enrollment and benefits**.
- **We also support providing $30.3 billion to extend health insurance coverage to the unemployed, and specifically, extending the period of COBRA coverage for older and tenured workers beyond the 18 months provided under current law**
- **We support providing 100 percent federal funding through 2010 for optional State Medicaid coverage of individuals (and their dependents) who are involuntarily unemployed and whose family income does not exceed a State-determined level, but is no higher than 200 percent of poverty, or who are receiving food stamps**

- **We applaud the inclusion of additional funding for community health centers, which play a vital role in ensuring uninsured and under-insured Americans have access to care.**
- **ACP also strongly supports immediate re-authorization of the SCHIP program, with additional funding to assure adequate coverage of all eligible children**

Following these initial steps, ACP strongly urges the Congress and the Administration to move forward on enacting comprehensive health care reforms that will guarantee affordable coverage to all Americans.

Primary care: We are pleased that H.R. 1 recognizes the importance of primary care. **We recommend inclusion of additional measures to reverse a potentially cataclysmic shortage of primary care physicians.** The Institute of Medicine has released a new report that indicates that 16,000 more primary care physicians are needed just to meet the needs of persons in currently underserved areas. Expansions of coverage will further increase the demand for primary care at a time when the primary care workforce already is insufficient to assure access to care. **Studies show that primary care consistently is associated with better outcomes and lower costs of care**, yet many primary care physician practices are at risk of closing their doors during these economic hard times and very few young physicians are choosing to go into primary care specialties. **Like you, we view primary care as the keystone of a high performing health care system.** Immediate steps are needed to avert a shortage of primary care physicians for adults that is expected to grow to 45,000 physicians.

- **We urge the Senate to include funding to be used by Medicare to implement a 10 percent payment bonus for all services provided by primary care physicians**. Medicare would identify who is providing primary care by their specialty and by specifying a percentage threshold of claims for office visits and other services representative of a primary care practice. For example, a general internist who meets a threshold for office visits would have the bonus apply to all of his or her claims paid by Medicare. The stimulus package could require that CMS initiate the bonus payments no later than June 1, 2009 and continue them for the next eighteen months.

- **We support the $600 million in H.R. 1 to fund the training of primary care doctors and nurses as well as paying medical school expenses for students who agree to practice in underserved communities through the National Health Service Corps**.

- **We would also urge creating and funding new pathways for loan forgiveness and scholarships for medical students and physicians who meet a primary care service obligation in a critical shortage area, i.e., an area with a critical shortage of physicians in the field of family practice, internal medicine or pediatrics**.

  Under such provisions, the federal government would agree to pay, for each year of primary care service in a critical shortage area, up to $30,000 per year in scholarships to medical students who sign an agreement to meet a primary care service obligation in a solo or group practice, a clinic, a public or private nonprofit hospital, or any other appropriate health care entity that has a critical shortage of primary care physicians. Alternatively, the federal government would provide up to $35,000 of the principal and interest of the undergraduate or graduate educational loans of a physician for each year of service as a primary care physician in the field of family practice, internal medicine, or

pediatrics for each year of service in a critical shortage area. The definition of critical shortage areas and facilities would allow physicians trained in primary care to meet a service obligation in areas or facilities, as designated by the Secretary of HHS, which are experiencing a shortage of primary care physicians but that otherwise would not qualify as a health professional shortage area.

- **ACP also advocates expanding the primary care health professions programs in Section 747 of Title VII of the Public Health Service Act. Title VII provides much needed federal support for training** the next generation of primary care physicians.

Prevention and Wellness: The College supports devoting $3 billion to Prevention and Wellness Fund to fight preventable chronic diseases as H.R. 1 would do**. Consistent with the mission of addressing chronic illness, a significant portion of these funds should be made available to provide practice transformation grant support to physician practices to organize as a as Patient Centered Medical Homes (PCMH).** A Patient-Centered Medical Home is a team-based model of care led by a personal physician who provides continuous and coordinated care throughout a patient's lifetime to maximize health outcomes. This care model is based on the Chronic Care Model, developed by Edward Wagner, MD. The Chronic Care Model has demonstrated that it can achieve substantial improvements in care of patients with multiple chronic diseases.

- **Specifically, ACP urges adding language that would require the Secretary of HHS to use a portion of the Prevention and Wellness fund for practice transformation grants to help physicians organize their practices as a Patient Centered Medical Home based on the Chronic Care Model. Such grants would be used to assist qualified practices to acquire the information systems to incorporate the Chronic Care Model into their practices and to function as PCMHs, provide technical and other expert support to enable such practices to transition to a PCMH; support the development of patient education and shared decision making tools for patients and their clinicians; and provide services that recognize cultural, linguistic and health literacy barriers to coordinated and preventive care.**.

Health information technology: ACP is pleased with the funding included in H.R. 1 to promote the adoption and use of Health Information Technology (HIT).

- **ACP strongly supports the positive Medicare payment incentives contained in Section 4311 of H.R. 1. The College believes, however, that additional safeguards should be put in place before imposition of penalties that would reduce baseline payments to physicians not using certified systems beginning in 2016.** Small and/or rural physician practices, which are in the greatest need of assistance, stand to lose the most if penalties take effect before the barriers to their HIT adoption and use are addressed. Imposing penalties in an inhospitable, unsustainable environment would be unfair and counterproductive to harnessing the full potential of HIT. **Accordingly, we recommend that Section 4311 be modified by adding a provision that requires the Secretary to determine that specific benchmarks are met before the schedule of successive penalties is implemented**. This provision should delay the application of penalties if the necessary evolution—much of it which is spelled out in the bill, including pre-requisites such as standards

and processes—fails to occur as envisioned. Specific benchmarks that reflect the needed progress should include but not be limited to: certifying the sufficient availability of HIT, including at a cost that avoids imposing an unreasonable barrier; and certifying that technical capabilities, including functionality and interoperability, are applicable to small and/or rural practices, especially those that furnish primary care, to enable successful adoption and use. Imprudent HIT purchase in the face of pending penalties would be devastating to these practices.

- **We also urge that language be added to this section of the legislation to provide that a substantial portion of the Medicare payment incentives be directed toward primary care physicians in smaller practices, to acquire specific health information technology (HIT) applications and functions to support care coordination in a Patient-Centered Medical Home, as part of a broader plan to encourage universal adoption of HIT**.

  To qualify as a PCMH, a physician practice must obtain and utilize information systems to help coordinate care for patients and maintain accountability through reporting on quality measures. The NCQA has developed a qualification process for practices to be designated as PCMHs, which includes specific HIT applications necessary to meet the capabilities as a PCMH. The NCQA standards could be adapted to set priorities for providing financial support to small primary care practices funded out of the stimulus package.

While ACP supports speeding the adoption of health information technology and efforts to improve interoperability of HIT, we are concerned that certain portions of H.R. 1 will serve to impede adoption rather than accelerate it. The legislation calls for the establishment of new bodies and new procedures to address HIT policy, standards and certification. It calls for an HIT Policy Committee to address HIT policy issues, an HIT Standards Committee to address selection of HIT standards, and calls for the Office of the National Coordinator for Health Information Technology (ONC) and the National Institute of Standards and Technology (NIST) to develop and implement a process for HIT product certification.

Bodies and procedures that address these areas have been in place for more than three years. The American Health Information Community (now National eHealth Collaborative) has already developed an initial set of policy recommendations. The Health Information Technology Standards Panel (HITSP) has developed a broad range of standards selections which have already been recognized and accepted by the Secretary of Health and Human Services. The Certification Commission for Health Information Technology (CCHIT) has developed a comprehensive certification process, which has been operating for the past three years. H.R. 1 proposes to *begin again* in addressing HIT policy, standards and certification without recognizing what is already effectively in place. ACP urges both chambers to acknowledge and codify these existing bodies and their work.

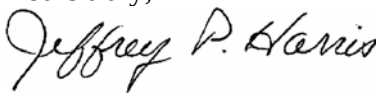
- **ACP appreciates the call for the development of lower-cost EHRs, recognizing that there are significant cost barriers to small practices to acquire and implement these systems. However, the cost of the software is only a small part of the total cost of implementing and operating an EHR. Tangible support for the installation of the software, implementation of**

the workflow changes required to use the software, and sustained payment reform that is sufficient to incent that the EHR is used effectively to improve the health status of patients, must also be included in order to significantly affect the adoption of this technology in physician practices. Investment in training for both health care professionals and those implementing EHR systems should accompany all proposals to increase adoption of EHRs.

Finally, the looming cuts scheduled under the Sustainable Growth Rate (SGR) formula system threaten to erode positive financial incentives and exacerbate penalties. While we appreciate that Congress intends to address the SGR crisis, which is to begin under current law with a disastrous cut of over 20% in 2010, a payment cut or even an update below practice cost increases diminishes the value of a positive HIT incentive and magnifies a penalty. The SGR dynamic provides another reason to avoid prematurely imposing HIT financial penalties.

The College looks forward to working with you and President Obama to enact a stimulus bill that provides a down payment on comprehensive reforms to guarantee health coverage, reverse a collapse of the primary care workforce, and provide clinicians with the health information technologies needed to deliver better and more efficient care.

Yours truly,



Jeffrey P. Harris, MD, FACP
President