



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

February 5, 2009

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

Dear Majority Leader Reid:

The American College of Physicians (ACP), representing over 126,000 physicians and students of internal medicine, strongly urges Congress to retain in its final Economic Recovery legislation funding for programs to help people keep their health insurance coverage, expand research on Healthcare Effectiveness, promote the adoption of health information technology, and improve access to primary care services.

With rising health care costs posing the single greatest fiscal challenge to the United States (CBO), ACP believes that measures to improve the health care delivery system are essential to restoring the fiscal health of the United States. Not only will they provide short-term benefit to the American economy, they will have much longer lasting benefit to the economy by making health care more affordable to individuals, businesses and taxpayers.

Coverage: We support measures in H.R. 1 to extend and subsidize COBRA coverage for those who are at risk of losing it, to provide states with temporary funds to maintain current Medicaid enrollment, and to allow them to enroll low-income people who lose their jobs.

Healthcare Effectiveness: ACP strongly supports the \$1.1 billion in additional funding to support research on the comparative effectiveness of different medical treatments. The Healthcare Effectiveness provisions included in the American Recovery and Reinvestment Act of 2009 (H.R. 1) will build on the excellent, but limited and inadequately funded, comparative effectiveness activities currently being engaged in by the Agency for Health Research and Quality (AHRQ) and the National Institutes of Health. They are an excellent first step towards the future establishment of an adequately funded, independent, trusted, national entity to prioritize, sponsor and/or produce trusted research on the comparative effectiveness of healthcare services. They will create jobs associated with hiring more researchers and development of tools to effectively integrate comparative effectiveness research into clinical decision-making at the point of care, and will have even greater and lasting benefit to the economy. *The Congressional Budget Office (CBO) estimates that providing \$100 million to comparative effectiveness in 2010 and allowing this to grow to \$400 million through 2019 would reduce total spending on health care in the U.S. by \$8 billion during 2010-2019.* \$8 billion in health care savings will translate directly into lower health care costs for employer and employees. Funding of the research in the larger amounts proposed in this legislation should result in even greater savings.

Health Information Technology: ACP supports the provisions in H.R. 1 that would invest \$20 billion to promote the adoption and use of Health Information Technology (HIT). Investment in HIT will create jobs in the short-term associated with software and hardware development, sales, development of tools and resources to help clinicians choose the best systems and then technical

and practice management support to help them with successful implementation, and ongoing support, maintenance, and updating of the systems. It will also have far greater short-and long-term benefit to the economy. *The CBO reports that “health information technology has the potential to significantly improve providers’ efficiency and the quality of care they offer. Ultimately, such improvements could reduce health care costs and improve health outcomes.”* ACP recommends several modifications (attached) to the HIT language in H.R. 1 to make sure that the investment of funds is used as effectively as possible.

Primary Care: H.R. 1 provides \$600 million 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. This initial step towards reversing a catastrophic shortage of primary care physicians needs to be followed by comprehensive reforms to increase Medicare payments to primary care to achieve competitiveness with other specialty choices, to expand the Patient-Centered Medical Home, and to create additional programs to enable primary care physicians to graduate without student debt.

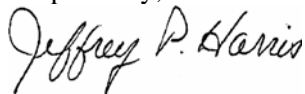
Strengthening the foundation of primary care in the United States is perhaps the single most important investment that Congress can make to achieve a high performing health care system. Over 100 studies, over the past two decades, show that primary care consistently is associated with better outcomes and lower costs of care, including lower Medicare per capita expenditures. To illustrate:

- An increase of 1 primary care physician per 10,000 persons in a state was associated with a reduction in overall spending by \$684 per Medicare beneficiary. [Baicker and Chandra, Health Affairs, 2004].
- Medicare treatments for the 6 percent of beneficiaries who die each year comprise almost 30 percent of Medicare expenditures. More primary care visits in the preceding year were associated with fewer hospital days at the end of life and lower costs. [Kronman, Ash, et al. Gen. Intern. Med. 2008]
- Increased proportions of primary care physicians across all U.S. counties was associated with 5.5 percent fewer hospital admissions, 5 percent fewer outpatient visits, 10.9% fewer emergency department visits, and 7.2 percent fewer surgeries. [Kravet, Shore, et al. Am. J Med, 2008].

In conclusion, if the goal of a stimulus bill is to provide the funds needed to restore the health of U.S. economy--as it must be-- then it is essential that the legislation address the single greatest fiscal challenging facing the U.S. economy, which is the rising cost of health care to workers, employers, and taxpayers.

ACP strongly urges Congress to maintain the proposed levels of funding in H.R. 1 for programs to help people keep their health insurance coverage, evaluate the effectiveness of different health care treatments, to accelerate the adoption of health information technology, and to train more primary care clinicians as important steps toward comprehensive reforms to increase primary care workforce capacity and achieve overall health system reform.

Respectfully,



Jeffrey P. Harris, MD, FACP
President

ACP's Proposed Modifications to the HIT language in H.R. 1

We recommend several modifications to these provisions to assure that the investment in HIT is used as effectively as possible.

- We support the positive Medicare payment incentives contained in Section 4311 of H.R. 1, but recommend that additional safeguards be put in place before imposition of penalties that would reduce baseline payments to physicians not using certified systems beginning in 2016. 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.
- 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.
- We are concerned that the establishment of new federal bodies and new procedures to address HIT policy, standards and certification, as called for by the legislation, has the potential of shelving the work that has been done for more than three years by a variety of public and private entities. 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 Congress to amend the bill to acknowledge and codify these existing bodies and their work.