

December 22, 2009

The Honorable Harry Reid Majority Leader United States Senate Washington, DC 20510 The Honorable Max Baucus Chairman, Finance Committee United States Senate Washington, DC 20510

The Honorable Tom Harkin Chairman, Health, Education, Labor & Pensions Committee United States Senate Washington, DC 20510

Dear Majority Leader Reid, Chairmen Baucus and Harkin:

On behalf of the American College of Physicians, representing 129,000 internal medicine physicians and medical student members, I am writing to express our firm belief that the Senate should vote in favor of H.R. 3590, the Patient Protection and Affordable Care Act, as amended and revised by the manager's amendment, even as we believe that some provisions should be improved in a final conference agreement.

Coverage: ACP specifically supports providing legal residents in the United States with coverage through sliding scale tax credits to buy affordable coverage through group purchasing health exchanges. We strongly support the requirements that prohibit insurance companies from turning down, cancelling, or charging excessive rates to persons with pre-existing conditions. Such policies would be an extraordinary achievement in advancing access to high quality health care in the United States.

Primary care: We applaud the policies in the bill that support the value of care provided by primary care physicians, including increased funding and expansion of Title VII training programs, funding of teaching health centers and primary care extension programs, increasing the maximum awards and creating a new part-time option for the National Health Service Corps, eliminating the ratable reduction language in Sec 747; and excluding loan repayment programs from treatment as taxable income. We are pleased that the manager's amendment requires a national workforce commission "to analyze and make recommendations for eliminating barriers to entering and staying in careers in primary care, including physician compensation." Although we appreciate the intent of the 10% Medicare bonus payment for services by primary care physicians, we are greatly concerned that the provision, as written, would exclude most primary care internists. ACP urges that this be changed in conference to ensure that the 10% bonus applies to a wider range of services, including hospital visits; to make the bonus permanent instead of being sunsetted after five years; and to ensure that the eligibility criteria allows all primary care internists, family physicians, pediatricians, and geriatricians to qualify. ACP supports the change in the manager's amendment to fund the bonus without having to make budget-neutral adjustments.

Delivery system reform: ACP supports pilot-testing and adoption of innovative payment and delivery models, but we request that Congress specifically require funding of two Medicare medical home pilots, as the House bill does.

We support provisions in the bill to create a Medicaid medical home option and to give qualified health plans the ability to provide services directly through a primary care medical home. ACP supports the concept of an Independent Payment Advisory Board, but we believe that safeguards are needed to ensure that Congress has the final authority, with a simple majority vote, to determine if the board's recommendations can go into effect. We also believe that the board's decisions should not be based principally on achieving a set level of savings but on improving the overall quality and effectiveness of health care. We strongly support the provisions calling for independent research on comparative effectiveness to inform clinical decision-making. We support the improvements in the Physicians Quality Reporting Initiative (PQRI), including creating an option for maintenance of certification to qualify physicians for positive PQRI bonus payments. We urge that the penalties for nonreporting be removed in the conference agreement. We support the provisions to reduce the administrative burdens faced by physicians and patients in interacting with health plans. Although we support transparency in reporting on quality and effectiveness of care, we believe that such programs need to be carefully designed to ensure that any information reported to the public is accurate and based on accurate measures that take into account differences in the patient population being treated. We do not believe that Medicare claims data provides an accurate measure of quality or efficiency of care. We will be providing you with more detailed recommendations for conference on these provisions.

Finally, we firmly believe that the Senate must join the House of Representatives and vote to repeal the flawed Sustainable Growth Rate (SGR) formula and replace it with a new update system that provides stable and positive payments, reflecting increases in practice costs, to all physicians, with higher updates for primary care and preventive services. We do not support another short-term patch.

In conclusion, ACP believes that H.R. 3590, the Patient Protection and Affordable Care Act, would advance the goals of providing all Americans with affordable coverage, averting a catastrophic shortage of primary care physicians, and improving health care delivery and payment systems to achieve better value for patients and taxpayers. We look forward to combining the best provisions in H.R. 3590 with the best provisions in the House-passed bill, with improvements in both as needed, to achieve the most effective bill possible for the American people.

Yours truly,

Joseph W. Statts

Joseph W. Stubbs, MD, FACP President