



AMERICAN ACADEMY OF
FAMILY PHYSICIANS
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Statement of the American Academy of Family Physicians

By

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Board Chair
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To

Subcommittee on Health
Committee on Energy and Commerce
U.S. House of Representatives

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Chairman Pitts, Ranking Member Green, and members of the Subcommittee:

Thank you for the opportunity to address you this morning. I am Dr. Robert Wergin, and I chair the AAFP Board of Directors. I am pleased and honored to accept your invitation to speak with you about the *Medicare Access and CHIP Reauthorization Act* (MACRA) that repealed the much-despised Medicare Sustainable Growth Rate (SGR) payment formula and instituted a path to payment reforms that clearly emphasizes value-based systems. But before I get to that, I would like to take the opportunity to thank you once again for your effective, bipartisan leadership in putting together such significant legislation that will make a real, positive difference in the lives of your constituents.

As you requested, I am prepared to review with you how the American Academy of Family Physicians is assisting our 120,900 members nationwide to get ready for MACRA. This, of course, is no small task. MACRA is a major shift in how Medicare pays for health care and the time allotted for that shift to take place is relatively short. However, Congress passed MACRA to move us away from a system that rewarded volume and toward one that would support value. We are especially encouraged that, as part of this transition to value-based payments, the law promotes and establishes primary care as foundational to our health care system. These changes, as dramatic as they may be in the coming years, are consistent with the key principles of practice transformation that the AAFP has supported for over a decade.

For example, the AAFP, along with the other major primary care organizations developed the joint principles for the patient-centered medical home that promotes coordinated care, quality and safety, and patient access. That vision is consistent with how we hope MACRA will allow physicians, like me, to provide the best patient care possible.

We believe that the work needed to bring about the change in how physicians provide medical care that will make MACRA successful will mean better care for patients, better professional experience for physicians and their medical teams, and better control of health care costs. We think it may even bring back the joy of medical practice for family physicians.

The Role of Primary Care

First of all, let us be clear about what family physicians do. All of our physician members in practice provide primary care, which is defined variously in different contexts. But no matter the context, primary care always includes first contact of care, continuity of care,

comprehensiveness, connectedness and coordination of care. Family physicians are not limited in offering primary care – they are trained to treat women and men, children and adults, young and old; indeed, everyone in their community. They care for patients from birth to death. As primary care physicians, they are not limited by organ system, disease condition or injury. Also in their role as primary care physicians, they are key to preventive health and to the management of chronic conditions and to the health of the communities of which they are a part.

Most of our physician members in private practice have contractual relationships with 7 or more health insurance plans, including Medicare and Medicaid. They are located in frontier, rural, suburban and urban areas. They practice in a variety of professional arrangements, including privately owned solo practices as well as large multi-specialty integrated systems and also public health agencies like the Indian Health Service and the Veterans Health Administration system.

Our work involves a great deal of complexity. We treat patients from all walks of life and whose medical conditions, whether they may involve obesity, asthma or diabetes management, are influenced by their community, socio-economics, and their well-being. The complexity increases as the proportion of people with multiple chronic conditions grows. This is especially true for patients who live in rural and underserved communities, like mine, where the primary source of health care is the family physician. For example, a recent [report](#) in the journal *Primary Care Diabetes* concluded: “Office-based visits to primary care physicians are made increasingly complex by growing population morbidity. Adults with diabetes report more conditions being cared for per visit with primary care physicians than with subspecialty physicians.” Since relatively few people experience only a single chronic condition, the role of the primary care physician is to help the patient respond to several treatments provided in different settings and by other medical specialists.

We know patients who have access to a consistent source of primary care live longer, enjoy better quality of lives, and have lower overall health costs on a per-capita basis. The “whole person” care that primary care physicians provide also helps control overall health care costs. However, the reality is that this primary care is terribly undervalued and system fragmentation contributes to suboptimal outcomes. This is why family physicians were pioneers in system delivery reform and why family physicians are looking to MACRA to signal an improvement in

how care is delivered and paid for. The AAFP believes that MACRA is, by intent and design, a law aimed at transforming our health care delivery system into one that is based on a strong foundation of primary care.

The Alternative Payment Models that are part of the new system of payment offer the promise of changing how the health care system values primary care and the services that are fundamental to disease prevention, chronic care management and population health – all areas of health care that a fee-for-service system cannot adequately address.

The AAFP's Preparation for MACRA

Passage of MACRA is among the most significant changes to occur in medicine in decades—a positive result of family medicine's demands for delivery system and payment reforms, and an opportunity to improve the quality of care delivered. That said, we also understand that many of our members may not be aware of or paying attention to upcoming changes to Medicare payment, or do not know their level of readiness for MACRA implementation. As a result, the AAFP has launched a comprehensive, multi-year, member education and communications effort designed to simplify the transition and provide the guidance members need to realize the benefits of MACRA and value-based payment, both for their patients and their practices.

Called “MACRA Ready,” the effort will include a variety of different tactics designed to get the word out to our members, starting with a dedicated content page on [aafp.org](http://www.aafp.org) (www.aafp.org/macraready). Updated educational resources will be posted to this site on a regular basis. One of the best primers on MACRA to date is an article we recently published in the March/April issue of *Family Practice Management* (<http://www.aafp.org/fpm/2016/0300/p12.html>). Other MACRA Ready content already available to AAFP members and the public includes:

- MACRA 101 FAQ (<http://www.aafp.org/practice-management/payment/medicare-payment/faq.html>)
- MACRA Timeline (http://www.aafp.org/dam/AAFP/documents/practice_management/payment/MACRATimeline.pdf)
- AAFP News articles (example: <http://www.aafp.org/news/practice-professional-issues/20160405macraeffort.html>)

Future MACRA Ready information will be divided between basic information, tools and resources, and detailed practice transformation resources. We are attempting to strike a balance between basic/general information that can be public-facing while we offer member value in the form of tools/resources that are restricted to members only. Below are examples of the products and services that will be available for our members:

- MACRA Ready explainer video
- MACRA Ready launch remarks (video) by AAFP President Dr. Wanda Filer
- Executive Summary of research illustrating the value of family medicine
- Additional *AAFP News* articles
- MACRA readiness assessment
- Web-enabled mobile MIPS/APM calculator and decision tree
- Enduring presentations, including recorded webinars, CME Bulletins
- Educational inserts that are distributed with *Family Practice Management*
- Implementation toolkits
- Video vignettes of the MACRA PPT presentation by Dr. Mullins

The AAFP's Concerns with MACRA Implementation

At this time, of course, we do not know many of the details of how MACRA will be implemented as we await the proposed rule to be issued by CMS. Last week, we advised CMS of our concerns with how the agency might handle many features of the new law. Specifically, we recommended that CMS:

- Address the flaws in the existing fee-for-service payment system that undervalue primary care, since the fee-for-service payment will remain part of most new payment models, including the Merit-Based Incentive Payment System (MIPS)
- Ensure the existence of an APM for primary care physicians
- Use the Core Measure set developed by the Core Quality Measures Collaborative
- Reexamine the structure and documentation guidelines required for evaluation and management services
- Avoid the real potential for overly complex regulatory implementation, especially because it is essential to keep the new systems as simple as possible to encourage participation
- Define the Patient Centered Medical Home without requiring third-party recognition

- Grant greater flexibility in the initial MACRA performance year, because it is unrealistic to begin measuring performance on January 1, 2017, since regulations will not be finalized until late this year
- Adopt a 90-day reporting period for meaningful use in 2016
- Attribute patients prospectively to the physician practice, so patients can engage with the medical team and physicians will know for whom they are responsible for quality reporting

CMS's Comprehensive Primary Care Plus Initiative

Last week, the Center for Medicare and Medicaid Innovation (CMMI) within the Centers for Medicare and Medicaid Services (CMS) announced the [Comprehensive Primary Care Plus \(CPC+\) Initiative](#), which is a bold and positive attempt to address the undervaluing of primary care. According to the CMS announcement, the CPC+ is a five-year, regionally based, multi-payer advanced primary care medical home model. It will pay participating practices a prospective per-beneficiary per-month care management fee that is based on beneficiary risk. In addition, CPC+ practices in Track 2 will receive a modified fee-for-service payment for the specific services offered in the office visit, and all CPC+ practices are eligible for a performance-based incentive payment, pre-paid at the beginning of the year. While there are details to work out, CMS is moving very aggressively to begin accepting applications from as many as 20,000 physicians in as many as 5,000 practices who are caring for up to 3.5 million Medicare fee-for-service beneficiaries, and millions of other Medicare Advantage, Medicaid, and commercial patients.

The AAFP hopes that the practices that accept the challenge to be part of the CPC+ initiative will be eligible for designation as an Alternative Payment Model and serve as templates for other primary care practices.

Conclusion

Once again, thank you for the invitation to discuss with this committee the importance of MACRA to family physicians and its potential to build a health care delivery system upon the foundation of primary care. And thank you as well for your leadership in replacing the SGR with MACRA and helping physicians forge ahead toward a value-based health care system. The implementation process will not be easy but we anticipate that the new world under MACRA will be a vast improvement over the one we had with the SGR.