

March 20, 2010

The Honorable Nancy Pelosi  
Speaker, U.S. House of Representatives  
H-332, The Capitol  
Washington, DC 20515

Dear Speaker Pelosi:

On behalf of the American College of Osteopathic Family Physicians (ACOFP) the nearly 30,000 osteopathic family physicians it represents and our patients, I would like to express our appreciation of your efforts, and those of your colleagues, to achieve meaningful healthcare reform in the United States by advancing comprehensive healthcare reform legislation.

Over the past 15 months the ACOFP has advocated for the development and advancement of legislation that would improve the lives of the millions of patients cared for by our members. Specifically, we have advocated for reforms that would extend access to affordable healthcare coverage for the millions of currently uninsured, implement meaningful insurance reforms, transform the nation's healthcare delivery model to place a greater emphasis on primary care and the patient-physician relationship, enhance the nation's physician workforce, reform our broken medical liability system, and begin the process of controlling the escalating costs of healthcare. Legislation approved by the House and Senate reflects promising, yet differing, approaches to these objectives.

In our opinion, the Senate-approved "Patient Protection and Affordable Care Act" (H.R. 3590) falls short of the policies included in the House-approved "Affordable Healthcare Act" (H.R. 3962). While there are numerous provisions contained in H.R. 3590 that are consistent with our policy, the bill on the whole does not meet our expectations or policy objectives. We believe that many revisions are needed to the bill. We recognize that failure to advance H.R. 3590 likely means that comprehensive healthcare reforms will not be realized and our current healthcare system will continue to struggle to meet the demands placed upon it. For this reason, we believe that the U.S. House of Representatives should advance H.R. 3590, ensuring that our nation and the patients we serve benefit from those reforms that are included.

Our position on policies reflected in our legislative agenda is below.

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### **Access and Coverage**

The ACOFP believes that every American should have access to affordable health care coverage. We support provisions in both bills that preserve access to employer-sponsored health care. Additionally, we have long advocated for comprehensive insurance reforms. We applaud your dedication to decreasing the number of uninsured by nearly thirty million people. However, without reforms to the policies below, these newly insured will have trouble finding physicians to treat them. We are also concerned with the mandate placed upon employers to offer insurance to their employees. The majority of our physicians are small business owners as well. With the yearly threat of cuts in Medicare reimbursements, physicians are not able to adequately manage the business side of their practices. Additional administrative burdens on physician practices could not come at a more inopportune time. We must seek ways to encourage physicians to practice in primary care and not limit the patients they see. We fear that some of the policies included in your bill may have the opposite effect.

### **Medicare Physician Payment**

The underlying bill fails to enact a permanent and long-term solution to the flawed and failed Medicare physician payment formula. Not only does this severely threaten access to care for Medicare beneficiaries across our country, it also puts physicians, many of whom are small business owners, in a precarious position. We appreciate your commitment to this issue in the past and look forward to working with you to pass legislation addressing this as soon as President Obama signs your healthcare reform bill into law.

### **Promotion of Primary Care**

We applaud you for addressing the dire situation that is the primary care physician workforce. For a number of reasons, medical school graduates are not pursuing careers in family medicine. At the forefront of this is the payment disparity between the specialty of family medicine and other specialties. While your inclusion of policy providing a ten percent bonus for primary care for five years is appreciated, it is not sufficient to truly changing the minds of our young physicians. We recommend that you increase this bonus to twenty percent (20%) to more accurately address the true disparities that exist, and further we ask that this bonus be made permanent. Further, we ask that you modify qualification requirements to ensure that a majority of primary care physicians will qualify for the bonus.

Additionally, Medicaid reimbursements for primary care services are roughly 60 percent (60%) of those under Medicare. We urge you to make permanent the provision requiring increasing Medicaid payment rates for primary care services being at least equal to those paid by Medicare.

### **Medical Liability Reform**

We appreciate provisions included in the legislation that address medical liability reform by creating incentive programs for states to examine alternative dispute resolutions such as certificate of merit or early offer. However, comprehensive healthcare reform cannot occur until you enact true medical liability reform. The current liability system infringes on the ability of physicians to provide high quality care while developing and maintaining a strong patient-physician relationship. Evidence from states such as California and Texas establish and continue to prove that extensive federal reforms must include caps on noneconomic damages.

### **Delivery System Reform**

Thank you for recognizing the need for practice transformation and the shift to incentivizing physicians to better coordinate the care they provide. The ACOFP believes, as evidence suggests, that the Patient Centered Medical Home (PCMH) will truly improve patient health and outcomes by transforming the way physicians care for their patients. Your legislation recognizes this, but unless it can be expanded to the entire population of Medicare and Medicaid beneficiaries, we will never truly see its value. Finally, the PCMH model was developed to be directed by a physician. We understand and value the role that non-physician providers play in the delivery of healthcare services collaboratively, but we feel strongly that any legislation expanding the PCMH model specify that the PCMH be led by a physician.

### **Graduate Medical Education (GME)**

To truly meet the future needs of America's patients, we must expand the current graduate medical education by at least fifteen percent, with a significant focus on new training opportunities for primary care physicians. Provisions in the underlying bill, such as redistribution of unused GME positions for primary care training and removing disincentives regarding training in non-hospital settings, are a step in the right direction, and we thank you for their inclusion.

### **Independent Payment Advisory Board**

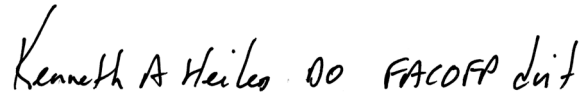
We strongly oppose the creation of the Independent Payment Advisory Board (IPAB). The establishment of this body would grant unprecedented authority over the allocation of a significant share of our nation's federal budget to a body of unelected officials. Further, the IPAB would severely limit Congressional oversight of the Medicare program, while exempting over half of the Medicare program from future cuts. It also replaces the transparency of Congressional hearings with a less transparent process having minimal accountability for its policy decisions. We strongly urge the removal of this provision.

### **Physician Quality Reporting Initiative**

The ACOFP supports efforts to promote best practices and to provide physicians with feedback to improve patient outcomes, including the Physician Quality Reporting Initiative (PQRI) and as evidenced by our participation in the American Osteopathic Associations (AOA) Clinical Assessment Program (CAP) and similar programs. However, we strongly oppose provisions that would impose penalties on physicians who do not participate in the PQRI program. While great effort has been made by the physician community to develop quality measurements applicable to all physician services, thousands of physicians have limited opportunities to report on quality measures based upon their specialty, practice-mix, or other practice demographics. To make the PQRI program punitive creates additional disincentives for participation in the Medicare program thus limiting access to quality healthcare services, and imposing an unnecessary roadblock on the path towards quality improvement.

The ACOFP believes that the provisions included in H.R. 3590, along with the policy revisions outlined above, will ensure that healthcare reform legislation will meet our joint goals. While our work will not be complete, our nation and the millions of patients cared for by our members will benefit from these policies.

Sincerely,

A handwritten signature in black ink that reads "Kenneth A Heiles DO FACOFP dist". The signature is written in a cursive, slightly slanted style.

Kenneth A. Heiles, DO, FACOFP *dist.*  
ACOFPP President