



May 2, 2020

The Honorable Alex M. Azar II
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue SW
Washington, DC 20201

Dear Secretary Azar:

On behalf of the American Academy of Family Physicians (AAFP), which represents 136,700 family physicians and medical students across the country, I write to share our recommendations on actions that the Administration can, and should, immediately take to support primary care physicians and the primary care system. As you know, the primary care system in the United States is on the verge of collapse due to a variety of factors originating from the COVID-19 pandemic.

While we appreciate efforts that HHS and the Centers for Medicare & Medicaid Services (CMS) has initiated in support of the health care system to respond to this pandemic, the reality is that much more support is needed for primary care if we wish to maintain a viable health care system throughout the pandemic and into the future. While it may seem unfathomable, the data suggests that the health and wellbeing of our country and citizens are in jeopardy if primary care is not put on a more sustainable path. **According to a recent survey¹, 47% of primary care clinicians report they have laid off/furloughed staff, two-thirds report that less than half of what they do is reimbursable, and 45% are unsure if they have the funds to stay open for the next four weeks.**

To date, the majority of financial relief efforts have not focused on primary care or the ambulatory health care delivery system. The AAFP understands why so much early attention was made to stabilize and financially support hospitals on the frontlines of the pandemic. Hospitals are an important component of our health care system, but they are not the sum total of how health care is delivered. In fact, according to statistics from the Robert Graham Center for Policy Studies in Family Medicine and Primary Care for 2018, a little less than 22 million people -- about 7% of the population -- received care in a hospital compared to the more than 190 million people -- roughly 60% of the population -- who received care from a family physician. Furthermore, in a given year, roughly 260,000 people are hospitalized for upper respiratory infections (URIs). By contrast, 19.5 million patients are seen by primary care physicians for the same condition suggesting that a majority of COVID-19 patients will ultimately be treated in the primary care setting.

¹ Etz, Rebecca "Quick COVID-19 Primary Care Survey" <https://www.pcpcc.org/2020/04/23/primary-care-covid-19-week-6-survey>

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We are not suggesting that family physicians and primary care need to be paid on par with hospitals, but we are stating that an overwhelming majority of people rely on their family physicians and other primary care clinicians, yet we invest only pennies on the dollar in our primary care system. We must increase the investment in primary care, especially while we as a country are struggling to mitigate the impact of this virus, and we must recognize that primary care is a critical component of that response. Unfortunately, the sharp reduction in revenue from cancelled office visits and the disparity in payment for telehealth has left a majority of primary care physician practices on the verge of closing.

We urge the Administration to take immediate action to preserve the nation's primary care system by implementing the following policies. Failure to act in a meaningful way will result in a step back the progress to effectively manage chronic diseases, vaccine adherence, and overall population health and wellness.

Immediate Financial Relief

The AAFP recommends that HHS prioritize financial support to primary care physicians – defined as family medicine, pediatrics, general internal medicine and geriatrics – by distributing provider relief funds using the foundation of the previously used model as follows:

Provide a one-time payment that is equal to the total Medicare fee-for-service payments distributed to each eligible NPI and/or TIN for July through December 2019 multiplied by 3 to accommodate for lost revenue from Medicaid, Medicare Advantage and commercial insurers.

[Total Medicare FFS Payments (July – December 2019) x 3 = Payment per primary care physician]

We believe that building on this existing formula allows HHS to quickly and efficiently distribute financial support to primary care practices.

Accelerated and Advanced Payment Program

We urge the Administration to reinstate the Medicare Accelerated and Advanced Payment (AAP) program for the 3rd and 4th Quarters of 2020. The unexpected halting of the AAP for Part B providers has negatively impacted primary care physicians and hindered their ability to maintain practice operations in the midst of this pandemic. This mechanism, which was voluntary, provided an ability to stem some of the losses that primary care physicians are experiencing as they continue to pay staff and see patients even with significant impacts to revenue. While we were concerned with the short repayment deadline and high interest rate, we believe that the program was an important component of a multi-faceted strategy to get critical support to primary care and we urge you to reinstate and extend it.

Build a Better Primary Care System, Today

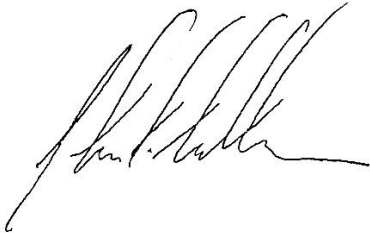
The COVID-19 pandemic has underscored that fee-for-service is an inappropriate structure to meaningfully resource primary care. This public health emergency should accelerate shifts to more sustainable models of care such as prospective, global payments for primary care. Several models have shown promise by resourcing practices in a prospective manner to allow for investments and resources to treat their population while balancing the need to deliver specialized care based on unique patient needs. Primary Care First, which has been approved by HHS for implementation in January 2021 on a limited scale, is one such model for achieving

this. The AAFP recommends that you use your authority, provided in law, to immediately expand Primary Care First as a national model and allow all primary care physicians, on a voluntary basis, to begin participating in the model beginning January 1, 2021. In addition to reopening and expanding Primary Care First participation for 2021, the AAFP also recommends adding a 2022 program start date for physicians who are eager to move into the model but require more time to do so.

Fee-for-service, in its current form, is incapable of supporting the primary care system that our health care system needs and that patients deserve. The whole construct of FFS, and especially the resource-based relative value system (RBRVS), has failed primary care. Primary care is comprehensive, continuous, holistic, portable and patient-centered. The RBRVS is, by design, the complete opposite. It is focused on units of care, units of time and sites of service. It is time that we fundamentally change how primary care is financed by providing prospective payments to all primary care physicians participating in Medicare coupled with expanding Primary Care First as an appropriate bridge to a new future.

As previously stated, the AAFP is grateful for the speed at which the Administration has moved to address gaps in the health care system and we look forward to partnering with you as we move to put primary care on a sustainable path for the health of our nation. If you have any questions, please contact Shawn Martin, smartin@aaafp.org.

Sincerely,

A handwritten signature in black ink, appearing to read "John Cullen", written in a cursive style.

John Cullen, MD
Board Chair

C: The Honorable Seema Verma, Administrator, Centers for Medicare & Medicaid Services
The White House Coronavirus Task Force