

July 22, 2011

The Honorable Saxby Chambliss  
The Honorable Tom Coburn  
The Honorable Kent Conrad  
U. S. Senate  
Washington, DC 20510

The Honorable Michael Crapo  
The Honorable Dick Durbin  
The Honorable Mark Warner

Dear Senators:

On behalf of the American Academy of Family Physicians, with 100,300 members nationwide, and the Council of Academic Family Medicine (CAFM), which represents the membership of the Society of Teachers of Family Medicine, the Association of Departments of Family Medicine, the Association of Family Medicine Residency Directors, and the North American Primary Care Research Group, thank you for your persistent efforts to craft a bipartisan proposal to reduce our nation's deficits. We were pleased to see that your summary of the proposal included a statement that the Medicare Sustainable Growth Rate (SGR) formula would be permanently replaced or repealed and that physician payment would be provided for the next ten years and fully paid for. We look forward to hearing your ideas for how to accomplish this and would be happy to work with you and the committees of jurisdiction as you consider the SGR and health care issues.

The AAFP and the CAFM organizations recognize the need to control the growth of federal spending on Medicare and Medicaid. However, we strongly recommend that proposals to address rising costs in the health care system also should attempt to improve care for our patients including the elderly, disabled and low-income and working families. We would note that there is considerable research that shows a health care system based on the broad access to primary care restrains costs (mostly by reducing unnecessary treatments and hospitalizations) even while it demonstrates improved health for patients.

To make a primary-care based health care system more feasible, we would strongly recommend that you include a provision to assure at least a 3-percent higher payment rate for primary care physicians providing primary care services. The basis of this recommendation is not only the research that has shown greater efficiency and improved health care from access to primary care physicians, but also the information that medical students make critical decisions about their choice of specialty based to a significant degree on the relative income of the specialty. The Council on Graduate Medical Education (COGME) called for improving the payment of practicing primary care physicians to achieve the desired ratio of primary care to subspecialty care. In December 2010, COGME recommended that the average incomes of primary care physicians "must achieve at least 70 percent of median incomes of all other physicians" (currently it is about 55 percent) and suggested that payment policies be modified so that qualified medical students will be able to afford to practice as primary care physicians.


Additionally, in your deliberations, you may assume significant reductions could be made to Medicare's Graduate Medical Education (GME). We do not advocate for reductions in Medicare GME. However, if reductions need to be made, they should be tailored to allow for the advancement of primary care training. To build the health care workforce, we need required investments in GME for primary care programs.

We have additional recommendations for how the federal government can achieve the potential efficiency and improvements that are the result of some targeted investments in primary care practice, training and education. If you would like to discuss these, you may contact the AAFP Director of Government Relations, Kevin Burke, at 202-232-9033 or e-mail him at [kburke@aafp.org](mailto:kburke@aafp.org) and the CAFM Director of Government Relations, Hope Wittenberg, at 202-986-3309 or e-mail her at [hwittenberg@stfm.org](mailto:hwittenberg@stfm.org).

Sincerely,



Jeri Hepworth, PhD  
President  
Society of Teachers of Family Medicine



Roland A. Goertz, MD, MBA  
President  
American Academy of Family Physicians



Stoney Abercrombie, MD  
President  
Association of Family Medicine  
Residency Directors



Jeannie Haggerty, PhD  
President  
North American Primary Care  
Research Group



Richard Wender, MD  
President  
Association of Departments of  
Family Medicine