American Academy of Family Physicians

July 25, 2007

The Honorable Fortney "Pete" Stark
Chair, Health Subcommittee
Ways and Means Committee
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Stark:

On behalf of the 93,800 members of the American Academy of Family Physicians, I appreciate the opportunity to review the *Children's Health and Medicare Protection (CHAMP) Act* (HR 3162), as introduced on July 24. The nation has some 9 million uninsured children and the situation is unacceptable. Reauthorization of the successful Children's Health Insurance Program is essential if we are going to provide our nation's children the preventive care that will keep them healthy and out of the emergency rooms. The CHAMP Act will reduce significantly the number of children without health insurance, and we appreciate your efforts in constructing a strong bill that will make a real investment in improving health care for children. The long-term benefit of this investment will far outweigh the present cost.

As I mentioned in my letter to you and Chairman Dingell on July 6, 2007, we also are pleased with the inclusion of the provision to revise the Medicare physician payment formula and to guarantee a positive update for 2008 and 2009. We note that the bill includes provisions to pay for the updates, and we thank you for making sure that this year's fix did not make the ultimate revision of the payment formula that much more expensive. In that process, we support the bill's equalizing the payments among all Medicare plans and we certainly support increasing the tax on tobacco products, both as an appropriate source of revenue and as a wise policy for public health.

In the past, family medicine has always called for a single payment rate formula for physician services; nonetheless, in creating separate payment categories, we appreciate the bill making the distinction based on services provided rather than on the specialty providing the service, and specifying an additional growth factor of 3 percent for primary care and preventive services. This is a major revision in how Medicare pays for physician services and we will be happy to work with you and others on the Committee to improve the effectiveness of these provisions in the next several years.

The bill also includes a number of items, like the improved and expanded Medical Home Demonstration Project, parity for mental health coinsurance, 2-year extension of both the floor on the Medicare work geographic cost index and the Medicare incentive payment program for physician scarcity areas, the promotion of research on comparative effectiveness, and the establishment of a physician feedback mechanism on practice patterns, that will help assure Medicare patients and others receive adequate primary care. We greatly appreciate your responsiveness in adding these and other important provisions to the bill.

We will be pleased to work with you and your excellent staff in the coming months to help this legislation achieve the support it deserves.

Sincerely,

Larry S. Fields MD

Larry S. Fields, MD, FAAFP
Board Chair

President
Rick D. Kellerman, MD
Wichita, Kansas

President-elect
James D. King, MD
Selmer, Tennessee

Board Chair
Larry S. Fields, MD
Flatwoods, Kentucky

Speaker
Thomas J. Weida, MD
Lititz, Pennsylvania

Vice Speaker
Leah Raye Mabry, MD
San Antonio, Texas

Executive Vice President
Douglas E. Henley, MD
Leawood, Kansas

Directors
Judith Chamberlain, MD
Brunswick, Maine

Ted Epperly, MD
Boise, Idaho

Virgilio Licona, MD
Brighton, Colorado

Brad Fedderly, MD
Fox Point, Wisconsin

Lori Heim, MD
Lakewood, Washington

Robert Pallay, MD
Hillsborough, New Jersey

David W. Avery, MD
Vienna, West Virginia

James Dearing, DO
Phoenix, Arizona

Roland A. Goertz, MD
Waco, Texas

Marin Granholm, MD
(New Physician Member)
Bethel, Alaska

Daniel Lewis, MD
(Resident Member)
Greenwood, South Carolina

Jennifer Hyer
(Student Member)
Portland, Oregon

2021 Massachusetts
Avenue, N.W.
Washington, DC 20036-1011
(888) 794-7481
(202) 232-9033
Fax: (202) 232-9044
E-mail: capitol@aafp.org
http://www.aafp.org