

Welcome to Family Medicine Advocacy Rounds—the American Academy of Family Physicians' monthly tip sheet to educate, engage and update you on the latest policy issues affecting family physicians and their patients.

<u>Family Physicians Face Fifth Consecutive Year of Needed Congressional Intervention in</u> Fee Schedule

"This is the fifth year in a row congressional intervention will be needed to preserve payment. Family physicians find themselves stuck in gridlock. Without an annual inflationary update from Congress, this dangerous cycle will continue and further sever access to care, increase costs and endanger our primary care physician workforce."

- Jen Brull, MD, FAAFP
President, American Academy of Family Physicians



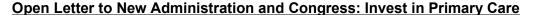
Why it matters: Inadequate Medicare payment rates have created untenable barriers to care for patients and threaten physician practices. While the final 2025 Medicare physician fee schedule aims to strengthen primary care, the underlying deterioration of physician payment negates the impact of these important investments.

This is the fifth year in a row that congressional intervention will be needed to preserve payment. The consequences of this year's 2.8% reduction are dire, putting practices at risk, exacerbating physician workforce shortages and preventing patients from accessing primary care.

Without an annual inflationary update from Congress, this dangerous cycle will continue and further weaken access to care, increase costs and endanger our primary care physician workforce. Read the AAFP's response to the 2025 MPFS final rule.

What we're working on:

- The AAFP is working with lawmakers to secure positive, inflation-based annual updates for Medicare physician payment. One proposal to do this is the Strengthening Medicare for Patients and Providers Act (H.R. 2474), which would provide physicians with an annual inflation-based payment update tied to the Medicare Economic Index (MEI).
- Absent more permanent reforms, we are urging Congress to pass short-term relief before the year-end to obviate the 2.8% cut for 2025. Specifically, we have supported the newly introduced Medicare Patient Access and Practice Stabilization Act (H.R. 100073), which would prevent the 2.8% cut and provide a one-year increase to physician payment equal to one half of the MEI update for next year.
- We are also advocating for a payment system that enables family physicians to invest in practice transformation and adopt alternative payment models — something that is out of reach for most practices given the long history of undervaluing primary care.
- We were pleased that CMS finalized the new Advanced Primary Care Management codes for 2025. These new codes are an important step toward achieving hybrid primary care payment within the framework of traditional Medicare. However, serious reforms to the fee schedule are needed to ensure adequate funding levels that provide prospective, sustainable payment for primary care.
- Bottom line: Without reform, the Medicare payment system will further destabilize primary care practices, accelerate consolidation and erode the primary care physician workforce.





Today, fewer Americans report having a longitudinal relationship with a primary care physician. This spells disaster for millions of patients who rely on primary care to help manage chronic and acute illnesses, access preventive care like vaccines and cancer screenings and lower overall health care costs.

In an opinion piece in MedPage Today, AAFP EVP and CEO R. Shawn Martin, wrote an open letter to the 119th Congress and new administration about the urgent need to invest in our primary care workforce. This includes increasing our national investment in primary care and ensuring we have a robust primary care workforce for generations to come, improving the practice environment by eliminating the administrative complexities that come between patients and physicians, and ensuring that every individual in every community has access to a family physician and a trusted medical home.

The AAFP is a member of <u>Primary Care for America</u>, which advocates for sustained investment in primary care to help meet the demands of a growing and aging population.





Last month, leaders from the AAFP, the American Academy of Pediatrics, the American College of Physicians, the American Academy of Obstetricians and Gynecologists, the American Osteopathic Association, and the American Psychiatric Association spent the day on Capitol Hill advocating to improve access to primary care.

Our six organizations represent the nation's frontline physicians, who provide the overwhelming majority of care to the nation's children, pregnant women, adults and elderly for a full range of physical, mental and behavioral health conditions.

They met with policymakers and their staff on important health care issues, including investing in the primary care physician workforce, improving Medicare physician payment, achieving Medicaid payment parity and extending telehealth flexibilities.

We also shared <u>a letter to congressional leadership</u> outlining our priorities for the end of the year.

The Importance of Rural Family Physicians

Why it's important: November 21 is National Rural Health Day. In a country challenged by a primary care workforce shortage, we cannot overstate the enormity of what rural family physicians do. Seventeen percent of AAFP members live and work in rural areas — the highest percentage of any specialty. Their work includes not only comprehensive longitudinal care but also mentoring students and residents, mitigating health disparities, and making a vital difference in the country's maternal morbidity and mortality crisis.

What we're working on:

- Because <u>lagging Medicare physician payment</u> hammers small and rural family medicine practices especially hard, the AAFP is advocating for an annual inflationary update tied to increases in the Medicare Economic Index.
- Medicaid payment rates need an overhaul, too. The AAFP told a Senate hearing on rural health this past spring that when Medicaid payment goes up so does patient access.
- We're also striving to improve access to (and physician payment for) home-based primary care — what doctors once referred to as "house calls" — that rural communities often acutely need. As the AAFP told Congress this year, this care keeps patients from having to resort to ER visits, and it should be appropriately recognized and compensated.
- The AAFP is also advocating for policies that bolster the primary care workforce.
 - o The AAFP supports the <u>Rural Health Preceptor Tax Fairness Act</u>, which would create a \$1,000 nonrefundable tax credit for health preceptors in rural areas.
 - We also continue to call for passage of the Doctors of Community Act, which would permanently authorize the <u>vitally important</u> Teaching Health Center Graduate Medical Education program.
 - The AAFP supports the Rural Physician Workforce Production Act, which would boost rural residency training, and the Rural Obstetrics Readiness Act, which would establish training programs to help clinicians at facilities without dedicated obstetric units respond to obstetric emergencies.
 - Relatedly, the AAFP backs the <u>Keeping Obstetrics Local Act</u>, which would increase Medicaid payment rates for labor and delivery services for eligible rural and high-need urban hospitals and require all states to provide a full year of postpartum Medicaid coverage.

AAFP Leader Shares Insights on Medicare and Medicaid



Stephanie Quinn, AAFP's senior vice president for external affairs and practice experience, took the stage at the annual HLTH conference in Las Vegas last month to discuss the ways Medicare and Medicaid can set the tone for innovation.

"Our regulatory framework barely tolerates innovation — it certainly doesn't encourage it. Using budget neutrality requirements as cost-constraint measures for physician payment will not only have a chilling effect on innovation, it stands to harm cognitive specialties like primary care, who are leveraging data now more than ever," she said.

What We're Reading

- Medscape featured the AAFP's statement on the final Medicare physician fee schedule rule, emphasizing that its 2.8% cut to physician payment is devastating to physician practices.
- AAFP Board Chair Steven P. Furr, M.D., FAAFP, spoke to <u>Time Magazine</u> about whether seniors and immunocompromised individuals should receive two COVID-19 vaccines this respiratory season and the important role family physicians play.
- AAFP President Jen Brull, M.D., FAAFP, spoke to <u>TechTarget</u> about telehealth in rural communities. "Did telehealth solve everything? No, because you cannot reach out, touch a patient, examine a patient, do testing on a patient," Brull said. "It is not a broad solution, but it is a piece of the solution."

For the latest policy updates on family medicine, follow us at @aafp_advocacy.



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About American Academy of Family Physicians

Founded in 1947, the AAFP represents 130,000 physicians and medical students nationwide. It is the largest medical society devoted solely to primary care. Family physicians conduct approximately one in five office visits — that's 192 million visits annually or 48 percent more than the next most visited medical specialty. Today, family physicians provide more care for America's underserved and rural populations than any other medical specialty. Family medicine's cornerstone is an ongoing, personal patient-physician relationship focused on integrated care. To learn more about the specialty of family medicine and the AAFP's positions on issues and clinical care, visit www.aafp.org. For information about health care, health conditions, and wellness, please visit the AAFP's consumer website, www.familydoctor.org