



## **AAFP Advocacy Guidelines (Principles) for Health System Reform**

The following guidelines have been approved by the AAFP Board of Directors to guide our advocacy efforts during the final efforts to achieve meaningful health system reform in 2009. Such guidelines are subject to change and compromise in these negotiations with the Administration and the Congress subject to approval as determined by the Board chair.

- 1) Any reform legislation should be consistent with current AAFP policy.
- 2) Expanded health care coverage should be accomplished by this legislation in a meaningful manner.
- 3) Reform of the private insurance market should be fundamental to such legislation including guaranteed issue of insurance and the elimination of pre-existing illness exclusions.
- 4) Such reform legislation must fundamentally begin to recognize and place value upon the role of family medicine and primary care as essential in a reformed health care system. The Academy will work to achieve the following goals in this regard:
  - a) GME reform favorable to family medicine and primary care training to assure an improved workforce
  - b) A permanent fix to the current SGR formula should be included in the overall effort for health system reform – either inclusive of the reform legislation or other legislation achieving this goal for 2009
  - c) A primary care bonus of at least 10% will be a strategic goal in lobbying for such reform legislation. The AAFP however believes that such a bonus should actually be 25% cumulative over the next 5 years.
  - d) Health reform legislation should expand the ability of Medicare and Medicaid to move forward rapidly with the implementation of the PCMH model of care, including a blended model of payment. This must include all Medicare beneficiaries and not just those with certain chronic disease conditions.

- 5) The AAFP supports a public plan that includes the following principles:
- The administrators of the public plan must be accountable to an entity other than the one identified to govern the marketplace.
  - The public plan cannot be Medicare.
  - The new public plan must be actuarially sound.
  - The public plan cannot leverage Medicare (or any other public program) to force providers to participate.
  - The public plan should not be required to use Medicare payment rates.
  - The insurance market rules and regulations governing the public plan should be the same as those governing private plans.
  - The public plan cannot be granted an unfair advantage in enrolling the uninsured or low-income individuals who will presumably be eligible for subsidies in the new marketplace.
  - Public and private insurers should be required to adhere to the same rules regarding reserve funds.
  - The public plan would also need to contribute to value-based initiatives that benefit all payers.
- 6) The AAFP can support the creation of an independent commission to oversee the quality and cost of the Medicare and Medicaid programs. Legislation creating such a commission must assure the following:
- a) The commission membership should be broadly based and be inclusive of primary care physician representation as well as consumers, employers, and other major stakeholders. It must not be dominated by full time government employees.
  - b) Final commission recommendations should be subject to Congressional override by a defined mechanism.
  - c) The commission should follow the current procedure of a public comment period for any of its recommendations before final promulgation and approval of such recommendations.
  - d) The commission should have oversight of all providers in the Medicare program (physicians, hospitals, home health agencies, etc.) in exerting its authority to address quality and cost issues with Medicare and Medicaid. If this commission is only given jurisdiction over Medicare Part B in its work, there must be a clear, transparent, and enforceable alternative process to address and control the quality and cost of the other parts of Medicare and those provider sectors. And this process must assure coordination with the above noted commission in making its recommendations.
- 7) The AAFP does not believe that health reform legislation should include a penalty for certain physicians deemed by some mechanism to be 'cost outliers' as it is very uncertain as to the validity of such cost data within the Medicare program.

- 8) It would be preferable for the current PQRI program in Medicare to maintain or increase the 2% annual bonus and it should remain a voluntary program.
- 9) Reform of the medical liability system should be included in health reform legislation and should include the following provisions:
  - a) Impose a hard cap on non-economic damages;
  - b) Limit attorneys' contingency fees;
  - c) Inform juries of prior insurance payments to patients and reduce awards  
by the amount of compensation from collateral sources;
  - d) Replace joint and several liability with proportionate liability, so each party  
would pay a share of a malpractice award based on the proportion for which he is liable;
  - e) Allow periodic payment of future damages at a defined award limit;
  - f) Provide for Alternative Dispute Resolution Systems, and
  - g) Require an expert witness who possesses knowledge and expertise and practices in the same medical specialty as the defendant.