

May 23, 2008

The Honorable Max Baucus  
Chairman  
Senate Finance Committee  
219 Dirksen Senate Office Building  
Washington, DC 20510

The Honorable Charles Grassley  
Ranking Member  
Senate Finance Committee  
219 Dirksen Senate Office Building  
Washington, DC 20510

Dear Chairman Baucus and Senator Grassley:

The undersigned organizations look forward to working with you in the development and passage of a Medicare package to avoid payment cuts to health care professionals that will go into effect on July 1, 2008. We also understand you are working on a variety of other initiatives to hopefully improve beneficiary access to quality care. We would like to provide some comments on one initiative in particular – the medical home model demonstration project.

As you know, the medical home demonstration project was enacted in 2006 as an eight site demonstration. While our organizations had concerns at the time this demonstration was enacted, we realized it was a limited demonstration. However, we are very concerned that even before the demonstration can be initiated in January 2009 that the Congress would seek to expand the demonstration dramatically to some 500 sites. We would respectfully encourage the Congress not to expand the medical home demonstration at this time, but allow the existing demonstration to go forward to determine if it actually can achieve the goals of improving patient care coordination and decreasing utilization and costs within the Medicare program.

We would respectfully make two recommendations in regards to the medical home demonstration project:

First, the demonstration project should not be exclusive to physicians. It must include all health care professionals that provide primary care services to beneficiaries. To limit the demonstration to physicians would be to undermine the demonstration given that so much of primary care received in the U.S. today, particularly in rural and urban underserved areas, is not actually provided by physicians.

Second, we would encourage the inclusion of language to ensure that this medical home model is not simply utilized as a way to funnel health services to facilities owned and operated by physicians for financial gain. To ensure that care coordination occurs and patient access and choice is not jeopardized, we suggest that the following report language be included to accompany any “medical home” provisions in the Medicare package this year. This language will help clarify the intent of the medical home model and guarantee that beneficiaries have optimal choice in the care they receive.

*RECOMMENDED REPORT LANGUAGE:*

*“The medical home must not restrict a patient’s freedom to access a health care provider of choice according to Medicare’s regulations. The medical home concept is just a way for coordinating knowledge of all the provider care a patient receives through a single medical home, without the need for prior authorizations for such care. Effectively implemented, the medical home can improve health care coordination and advise the patient on quality health care options.”*

We appreciate your consideration of our comments and of this recommended language. We look forward to working with the Senate Finance Committee as further dialogue and deliberations occur, and offer our services to be a resource to you and your staff.

Sincerely,

American Academy of Audiology  
American Academy of Nurse Practitioners  
American Chiropractic Association  
American College of Nurse-Midwives  
American Occupational Therapy Association  
American Optometric Association  
American Physical Therapy Association  
American Podiatric Medical Association  
American Psychological Association  
National Association of Social Workers