

PCPCC Praises Congress for Real Payment Reform and the End of SGR

WASHINGTON - The Patient-Centered Primary Care Collaborative (PCPCC) praises Congress for passing the Medicare Access and CHIP Reauthorization Act of 2015, which officially repeals the flawed Medicare provider reimbursement formula known as the Sustainable Growth Rate (SGR). The historic bipartisan legislation substantially supports the much-needed transition from the current volume-driven fee-for-service (FFS) reimbursement model, to a value-based system that rewards quality of care.

The bill ends the broken Medicare physician payment formula and replaces it with a new system which allows physician practices to choose how they are paid: in either a Merit-Based Incentive Payment system linking better overall performance to higher reimbursement, or an Approved Payment Model (APM) which moves practices toward value-based payment. Additionally, the legislation provides support to primary care practices to redesign their care delivery models to support valued-based services and meaningful partnerships with patients and families.

“Since the inception of the PCPCC, we have collaborated with our broad membership and diverse stakeholders to promote sustainable payment for advanced primary care models, such as the patient-centered medical home (PCMH),” said PCPCC Chief Executive Officer, Marci Nielsen. “As a long-time supporter of value-based reimbursement, we are pleased to see the PCMH recognized in this significant legislation as an APM and as a way to improve access to continuous, coordinated, and patient-centered primary care.”

The legislation provides continued support for other important programs. It reauthorizes the Children’s Health Insurance Program to ensure the continued health care coverage of low-income children, and extends the Teaching Health Center Graduate Medical Education Program that provides care to patients in underserved areas by training primary care physicians in community-based settings. Both were set to expire in September. It also extends funding for Community Health Centers for two years.

“As a leading advocate for advanced primary care and the PCMH, we are thrilled Congress took action to officially repeal the flawed SGR formula,” said Nielsen. “This monumental legislation signifies a major step forward in moving America toward a more comprehensive payment system that rewards value-based payment and quality of care.”

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About the Patient-Centered Primary Care Collaborative (PCPCC): Founded in 2006, the PCPCC is dedicated to advancing an effective and efficient health care system built on a strong foundation of primary care and the patient-centered medical home (PCMH). The PCPCC achieves its mission through the work focused on key issues of delivery reform, payment reform, patient engagement, and employer benefit redesign to drive health system transformation. PCPCC’s membership represents more than 1,200 medical home stakeholder organizations and supporters throughout the country. For more information, visit www.pcpcc.org.