

# American Psychiatric Association

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March 10, 2010

The Honorable Barack H. Obama  
The White House  
1600 Pennsylvania Avenue, NW  
Washington, DC 20500

Honorable Harry Reid,  
Majority Leader of the Senate  
Washington, D.C. 20510

Honorable Nancy Pelosi  
Speaker of the House of Representatives  
Washington, D.C. 20515

Dear President Obama, Majority Leader Reid and Speaker Pelosi:

On behalf of the American Psychiatric Association (APA), the medical specialty representing more than 37,000 psychiatric physicians nationwide, I am writing to express support for your efforts to pass health reform legislation this year, and also to highlight our ongoing concerns that we respectfully urge you to address in any final health reform package.

First and foremost, please know that we support your efforts to pass comprehensive health reform legislation that improves access to care and balances the needs of patients, physicians, hospitals, and others in our health care system. We are extremely pleased with many provisions in the bill including prohibiting discrimination based on preexisting conditions and prior health history, including mental health and substance abuse in the minimum benefits package, expanding dependent coverage to age 26, and expanding Medicaid.

As we understand it, your intention is to use a two-step process, in which the House would approve the Senate-passed health reform bill (H.R. 3590), and then both chambers would pass a second bill that amends the Senate legislation via the budget reconciliation process. As a health reform package moves to final passage, the APA would like to underscore its support for two key issues within the House health reform proposal that would protect advances in mental health "parity" and are urgently important for the practice of psychiatry and the treatment of our patients. We support these provisions being included in the reconciliation bill.

- Requiring a basic benefit package for all qualified health benefit plans in the Health Insurance Exchange, including mental health and substance-use disorder treatment.



- Extending this coverage requirement to all health insurance plans within five years.

We understand that reforming our nation's health system is a complex process and that it is not possible to have a "perfect" reform bill that pleases everyone. We have, however, continuing concerns about the Senate legislation, specifically related to a number of Medicare issues that could inadvertently harm patient access to care. We strongly urge you to take these concerns into consideration and advocate for the inclusion of the following recommendations in the final health reform package:

- **Medicare Physician Payment:** The APA urges inclusion of Medicare payment reform as a central part of any health reform package. In November, the House voted in favor of H.R. 3961, the Medicare Physician Payment Reform Act, to bring to an end the destructive cycle of debt caused by the fatally flawed Sustainable Growth Rate (SGR) formula. By replacing the SGR, the Medicare Physician Payment Reform Act would ensure fair and sustainable payment for Medicare physicians and continued access to a broad range of needed services for Medicare beneficiaries. H.R. 3961 eliminates the SGR debt by resetting the volume baseline at 2009 levels, wiping away the \$240 billion that is "owed back" by Medicare physicians and other health professionals. After resetting the baseline, the Medicare Physician Payment Reform Act would implement a new two target system of volume-based payments for physician services, allowing for growth at two percent above gross domestic product (GDP) for primary and preventive services, and one percent above GDP for all other services. Congress' recent struggle to secure a short-term delay the devastating 21.5 percent cut doctors' face in Medicare payment, underscores how unreliable short-term fixes are for physicians and emphasizes the need to permanently fix SGR.
- **Independent Payment Advisory Board:** The APA is deeply concerned about the Independent Payment Advisory Board (IPAB) established in the President's Proposal and included in the Senate bill. Since hospitals and other health-related entities have been exempted from cuts for the first four years, Medicare savings will be levied entirely on physicians and other health practitioners who are already subject to a spending target under the physician payment formula that is itself fatally flawed. We also are concerned that proposals set forth by IPAB will go into effect without adequate and timely review by Congress. Thus, we urge IPAB not be included in the final legislation.
- **Public Reporting on Performance Information:** The improvement of quality healthcare services for patients is central to comprehensive health reform. To this means, both the House-passed health reform bill, Affordable Health Care for American Act, H.R. 3962, and the Senate-passed bill, Patient Protection and Affordable Care Act, H.R. 3590, include provisions to transition Medicare payments away from paying providers for volume-based care to paying for value-based care. Complimentary to new payment standards are requirements for Medicare to provide confidential feedback to physicians about their resource use as compared to providers delivering comparable services. The Senate bill, H.R. 3590 also requires the Secretary of Health and Human Services to make information available to patients about providers' performance partially based on patient feedback. We strongly support the removal of this provision.

We are concerned about provisions that would allow for information to be released to the public, particularly the extent to which standardized data adequately captures the diverse

needs of patients and episodes of care related to their treatment. Inaccurate data could harm a physician's reputation and practice. Consideration should be given to the fact that patients with serious mental and/or physical ailments may have impaired cognitive ability to provide accurate and meaningful feedback on their care. It should also be recognized that even when the best possible medical care is given, patients may have quite different perceptions, and it is unclear how such differences will be resolved before data is released to the general public.

- **Physician Quality Reporting Initiative (PQRI):** We support the House language that does not mandate physician participation in PQRI. Mandatory participation raises concerns as the voluntary quality reporting program now in place has highlighted technical problems, such as long gaps that occur when physicians report and they are notified that the reporting was not successful.

We urge you to regard these changes as essential to reforming our nation's health insurance system. We recognize the continuing challenges for developing a comprehensive health reform plan and appreciate all of your efforts to secure enactment of this crucial legislation. If you have any questions please do not hesitate to contact me or members of my staff Michelle Dirst (703) 907-8644 and Clare Koller (703) 907-8643.

Sincerely,

A handwritten signature in black ink, appearing to read "Alan F. Schatzberg, M.D.", with a stylized flourish at the end.

Alan F. Schatzberg, M.D.  
President

CC: The Honorable Kathleen Sebelius, Secretary, Department of Health and Human Services  
Nancy-Ann E. Min DeParle, Director, White House Office of Health Reform  
The Honorable John Boehner, United States House of Representatives  
The Honorable Mitch McConnell, United States Senate