



February 2, 2018

The Honorable Alex M. Azar, J.D.
Secretary, U.S. Department of Health & Human Services
200 Independence Avenue, S.W.
Washington, D.C. 20201

Dear Secretary Azar:

Congratulations on your Senate confirmation and swearing in as the 24th Secretary of the Department of Health and Human Services. Guiding the many federal agencies overseeing matters of health and welfare and advising the President are extraordinary responsibilities. America's Physician Groups (APG) hopes to assist you by providing an important clinician voice and maintaining an open dialogue with you and your staff.

America's Physician Groups is the leading association in the country representing physician organizations practicing capitated, coordinated care. Our membership encompasses nearly 300 medical groups and independent practice associations in nearly every state in the country. APG members are truly taking responsibility for America's health by driving down costs and improving the health of the patients and communities we serve. In this capacity, we look forward to continuing our work with your Department and its agencies to continue to transform our nation's health care system into one that places a premium on quality and value.

For too long, our health care system has operated under antiquated fee-for-service reimbursement and delivery models that are based on quantity of care rather than quality of care. America's patients deserve better. We can and must do more to improve health care in our nation. APG members have embraced new and innovative payment models to address drastic increases in health care costs by making clinicians accountable for quality while sharing financial risk. The capitated, coordinated care model our members are offering is an important element in addressing our nation's health care challenges.

Specifically, APG would like to be a resource to you and your staff on a number of specific regulatory priorities including:

- implementing, strengthening, and protecting The Medicare Access and CHIP Reauthorization Act of 2015 (MACRA);
- supporting the Medicare Advantage (MA) program and continuing our work with your agencies, including the Center for Medicare and Medicaid Services (CMS), to implement a MA advanced alternative payment model (APM); and
- continuing the expansion of additional advanced APMs including APG's Third Option, a prospective, capitated accountable care organization (ACO) model in traditional Medicare.

We at America's Physician Groups are committed to moving away from a delivery system that rewards clinicians "per click" and without an eye toward quality, cost, or elimination of waste. Our nation is at a pivotal moment in the evolution of our health care system. An aging and increasingly chronically ill population continues to stretch dwindling health care resources, with more American seniors drawing on health care services daily. As such, it is critical that we move towards a new, alternative payment methodology that reimburses clinicians based on quality, efficiency, and patient outcomes.

Again, congratulations on your confirmation and thank you for your service. We look forward to working with you to address critical issues in our health care system to ensure that all Americans have access to the quality health care services they need and are entitled to. We would appreciate the opportunity at your earliest convenience to discuss our priorities in person and learn more about your intended direction for the Department and agencies it oversees. Please contact Mara McDermott, Vice President of Federal Affairs, at mmcdermott@apg.org or 202-770-1863 with any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald H. Crane". The signature is written in a cursive style and is positioned above the typed name and title.

Donald H. Crane
President and CEO, America's Physician Groups