April 3, 2025

Robert F. Kennedy, Jr.
Secretary
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

Dear Secretary Kennedy,

The Society of General Internal Medicine (SGIM) looks forward to working with you to address Medicare physician payment and improve access to primary care services. SGIM is a member-based medical association of more than 3,300 of the world's leading general internal medicine physicians, who are dedicated to delivering high-quality clinical care for adults of all ages, especially those with multiple chronic diseases who would benefit from having a physician to coordinate a comprehensive approach to their care.

The nation is facing a crisis in primary care, but reforming our flawed incentive structure could reverse this trend. For the past three decades, the composition of the physician workforce has been heavily influenced by the longstanding relationship between the Centers for Medicare & Medicaid Services (CMS) and the American Medical Association (AMA). The CMS annual Medicare Physician Fee Schedule (MPFS) disproportionately reflects the influence of this single professional society, resulting in Medicare payments that favor procedures over nonprocedural services.

The MPFS was established by Congress and implemented by CMS in 1992 to create a standardized, resource-based payment system for Medicare physician services. Under this system, payments for services must be relative to all other services on the fee schedule, meaning that increasing payment for one service often requires reducing payment for others unless Congress intervenes. Unfortunately, Congress did not mandate that CMS establish a process to ensure that MPFS valuations were updated as necessary to ensure accuracy and reliability. At the time, the AMA convened the Relative Value Scale Update Committee (RUC) and thereafter CMS came to depend almost exclusively on the recommendations for service valuations made by the RUC.

Since its inception, membership has been largely drawn from procedurally oriented specialty societies; each specialty must have over 50% concurrent AMA membership. The RUC is composed of 32 members, 29 of which are voting members and 22 of which represent national medical specialty societies. Of those specialties, six can be considered primary care or internal medicine specialties: family medicine, internal medicine, pediatrics, osteopathic medicine, obstetrics and gynecology, and geriatrics. Additionally, there are four seats that rotate on a two-year basis: one is reserved for primary care and another two for internal medicine.

The AMA's influence over physician compensation – particularly its tendency to favor physicians who are primarily delivering procedures – must end if the United States is to build a robust and

sustainable primary care workforce capable of providing continuous, comprehensive care to patients with complex, concurrent conditions requiring multiple medications. SGIM urges you to eliminate CMS' reliance on RUC recommendations and establish a more transparent approach to valuing physician services.

Therefore, SGIM is firmly committed to the establishment of a TAC within CMS with adequate funding. In addition, Jon Blum, former Deputy Administrator and Chief Operating Officer at CMS, and Mark Childress, former Deputy to the White House Chief of Staff, have volunteered their services to support our commitment.

Thank you for your consideration of this request. SGIM welcomes the opportunity to work with you to address the flaws in the Medicare physician payment system to ensure that patients have access to high-quality primary care for years to come. Should you have any questions, please do not hesitate to contact Erika Miller at emiller@dc-crd.com.

Sincerely,

Jada Bussey-Jones, MD, MACP
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