Statement of the
American College of Physicians
to the U.S. House Ways and Means Health Subcommittee Hearing
on
Modernizing Care Coordination to Prevent and Treat Chronic Disease
November 19, 2025

The American College of Physicians (ACP) is pleased to provide comments in response to the House Ways and Means Health Subcommittee hearing on "Modernizing Care Coordination to Prevent and Treat Chronic Disease." We thank Ways and Means Chairman Smith and Health Subcommittee Chair Buchanan for holding this hearing to explore ways to make healthcare more affordable and to better protect vulnerable patients and prevent chronic disease by modernizing and improving care coordination and delivery between health care professionals.

Our recommendations included enacting legislation to improve Medicare by aligning physician payment with the value of care provided, extend telehealth flexibilities to improve chronic care management, and extend the healthcare premium tax credits that expire at the end of the year. ACP supports meaningful policy solutions that responsibly integrate innovative technologies into our nation's health care delivery.

ACP members include 162,000 internal medicine physicians, related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge, clinical expertise, and compassion to the preventive, diagnostic, and therapeutic care of adults across the spectrum from health to complex illness. Additionally, internal medicine is the specialty with the largest number of active physicians specializing in primary care, with 120,342 internal medicine physicians being identified as specializing in primary care in 2021.

Pass Payment Reforms to Ensure a Viable Transition to Value-Based Care

The Physician Fee Schedule (PFS) does not have an annual update based on inflation. As a result, when accounting for inflation, Medicare physician payments declined 29 percent from 2001 to 2024. The Medicare Access and CHIP Reauthorization Act (MACRA) must be viewed within the broader context of the physician's payment system. While physician services represent a very modest portion of the overall growth in health care costs, they are primary targets for cuts when policymakers seek to tackle spending. For years physicians have struggled with a broken Medicare payment system that does not allow them to keep up with practice expenses and rising inflation. That has made it much harder for

physician practices to manage sharp increases in practice expenses or navigate staffing and supply shortages.

The modest statutory updates previously included in MACRA have ended, and physicians are in a six-year period with no updates. The result is real reductions to payments when accounting for inflation and budget neutrality requirements. Last Congress, ACP supported H.R. 2474, the Strengthening Medicare for Patients and Providers Act, to provide an annual Medicare physician payment update tied to inflation, as measured by the Medicare Economic Index (MEI). While the bill did not pass, we urge Congress to reintroduce and pass a MEI update legislation for the PFS to allow physicians to make needed investments in their practices and to help ensure that they are able to deliver high quality care to their patients.

Address the Medicare Physician Fee Schedule Cuts

The 2025 PFS included a 2.83 percent cut to payment rates. As a result, patients and their physicians are left to deal with the uncertainty of cuts to Medicare payment rates each year. The One Big Beautiful Law only addressed 2.5 percent of cuts for 2026 and did not cover any cuts for 2025. These cuts, especially when practice expense costs have markedly increased, further strain our nation's doctors, limiting patient access to care. Each year, physicians routinely face harmful payment cuts, making it increasingly difficult to remain in practice and accept Medicare patients. Simply put, the current structure of the PFS does not provide sustainable, reliable, and consistent payment rates for physicians who see Medicare beneficiaries.

We support passage of H.R. 879, the Medicare Patient Access and Practice Stabilization Act, bipartisan legislation that protects access to care for Medicare beneficiaries and enables small, rural and independent physician practices to remain financially viable. That legislation would have stopped the 2.83 percent cut to Medicare payments incurred by physicians in 2025, while also providing a 2 percent payment update, aiming to stabilize physician practices and protect patients' access to care. Physicians should be made whole retroactively for the 2.83 percent in Medicare cuts for 2025.

Pass the Value in Health Care Act to Extend APM Incentive Payments

ACP supports extending incentive payments for participation in eligible alternative payment models through 2026. Congress should introduce and pass legislation to extend the five percent bonus for physician participation in advanced APMs. In the last Congress, bipartisan legislation was introduced to make several important reforms to ensure that APMs continue to produce high quality care for the Medicare program and its beneficiaries. The Value in Health Care Act would have made a number of important reforms to strengthen Medicare's value-based care models and Accountable Care Organizations (ACOs) to ensure that these models continue to produce high quality care for the Medicare program and its beneficiaries as well as to generate savings for taxpayers. The bill would have extended MACRA's five percent advanced APM incentives that expired at the end of 2024. It would also have given CMS authority to adjust APM qualifying thresholds so that the current one-size-

fits-all approach does not serve as a disincentive to including rural, underserved, primary care or specialty practices in APMs. This approach would help to maintain incentives that support physicians' transition from a volume-based fee-for-service health care system to one that is based on the value and quality outcomes of health care delivered to the patient.

Extend Telehealth Flexibilities for Medicare Beneficiaries

Telemedicine as an important method of health care delivery that improves the health of patients with chronic conditions by enabling and enhancing patient physician collaborations, increasing access to care and members of a patient's health care team, and reducing medical and resource costs when used as a component of a patient's longitudinal care. Telehealth flexibilities from the pandemic-era public health emergency (PHE) have been instrumental in improving access to care for patients across the U.S.

ACP believes that the following existing flexibilities should be continued – and not allowed to expire – to support making telehealth an ongoing and continued part of medical care now and in the future. We urge you to ensure that these telehealth access and coverage policies are extended beyond their current January 31, 2026 expiration date.

- Expand originating sites and lift geographic requirements for telehealth services.
- Allow federally qualified health centers (FQHCs) and rural health clinics (RHCs) to continue to provide telehealth services.
- Allow the furnishing of audio-only telehealth services for evaluation and management services.

Several bills were introduced in Congress to extend these telehealth flexibilities permanently, which ACP supports. They include CONNECT for Health Act of 2025 (HR 4206/S 1261) and the Telehealth Coverage Act of 2025 (HR 2263). These bills would permanently extend and modernize the flexibilities for telehealth services in Medicare that were originally implemented during the COVID-19 public health emergency.

ACP strongly supports the use of audio-only telehealth as an effective modality to address gaps in health equity. Primary care and other evaluation and management services delivered via telephone have become essential to a sizable portion of Medicare beneficiaries who lack access to the technology necessary to conduct video visits. These services are instrumental for patients who do not have the requisite broadband/cellular phone networks or have privacy concerns and do not feel comfortable using video visit technology or do not possess the digital literacy to use video technology.

Extend Health Insurance Premium Tax Credit

ACP strongly supports the enhanced premium tax credits that have significantly reduced the cost of health insurance offered through the Patient Protection and Affordable Care Act (ACA) marketplace. Unless Congress acts, these tax credits will expire at the end of the year. We urge you not to let that happen and that Congress work toward making these tax credits permanent.

ACP is pleased that in 2024, ACA marketplace enrollment reached a record enrollment of more than 21 million people. This growth can be attributed to the premium tax credits helping make ACA marketplace plans more affordable for millions of American. Recent data shows that 95 percent of all enrolled in Healthcare.gov plans in the individual health insurance marketplace today receive enhanced tax credits that make their coverage affordable.

These tax credits have lowered net premium costs by an average of 44 percent this year – or $705 per enrollee – according to the Kaiser Family Foundation. We are deeply concerned that the Congressional Budget Office (CBO) projects that an estimated 3.4 million Americans will lose coverage if Congress fails to extend the ACA tax credits. We urge the Congress to pass legislation that would expand eligibility of taxpayers for the refundable tax credit for coverage under a qualified health plan and increases coverage under the ACA.

Improve Chronic Care Management

Although the Chronic Care Act made important changes in improving care for seniors with chronic conditions, additional steps are needed to ensure that our patients have access to high quality chronic care. Six in ten American adults have at least one chronic disease and four in ten have two or more, and at $3.3 trillion in annual health costs, chronic disease is responsible for 75 percent of aggregate national health care spending and is the largest cause of disability and death. General internal medicine physicians assume principal responsibility for coordinating and managing patients' overall care, particularly for those with multiple complex chronic conditions.

We remain concerned that many seniors have failed to access chronic care management services due to a patient cost-sharing requirement associated with this care. Current law mandates that Medicare beneficiaries are subject to a 20 percent coinsurance requirement to receive chronic care management services. This cost-sharing requirement creates a barrier to care, as beneficiaries are not accustomed to cost-sharing for care management services and may forego the services altogether as a result. The latest data reveals that only 4 percent of Medicare beneficiaries potentially eligible for chronic care management received these services. That amounts to 882,000 out of a potential pool of 22.5 million eligible beneficiaries.

We urge Congress to reintroduce and pass the Chronic Care Management Improvement Act. This legislation would have removed the cost sharing requirement for patients to access chronic care management services. We also support allowing the physician that performs chronic care management services to waive the requirement that the patient pay the 20 percent coinsurance fee associated with this service.

Support Not Supplant Physicians

Artificial Intelligence (AI) technologies can process vast amounts of patient data from various sources to inform medical decisions, and will enable more personalized, data-driven patient care. However, it does not mean that AI and Machine Learning (ML) technologies should supplant physicians in the clinical decision-making process. ACP firmly affirms that AI-enabled technologies should complement

the logic and decision-making of physicians and other clinicians, not replace them. While these innovative tools can transform the practice of medicine in many beneficial ways, clinical decision support based on AI output without a basic understanding of AI technology can have serious, even fatal consequences for patients. Innovative technology, like AI and ML, can be misguided through inappropriate, incomplete, or flawed data inputs, leading to flawed outputs, which can mislead physicians into ill-informed decision-making with dangerous consequences for patients. A physician's training and observations must remain the central tenet of patient care.

An area of concern is AI prescribing of pharmaceutical drugs for the patient. For example, ACP has grave concerns with H.R. 238, the Healthy Technology Act of 2025 (HTA). That Act would amend current law to clarify that artificial intelligence (AI) and machine learning technologies can qualify as a practitioner eligible to prescribe drugs if authorized by the state involved and approved, cleared, or authorized by the Food and Drug Administration. ACP believes AI-enabled technologies should complement and not supplant the decision making of physicians and other clinicians. Medical prescribing is a complex process that requires human consideration of multiple tangible and intangible factors such as the patient's illnesses and disease burden, concurrent prescriptions, medication cost and patient and family preferences, among others. It is not easily amenable to algorithmic dispensation as would occur under an AI/machine learning program.

AI cannot appropriately assess patients, make patient centered medical decisions and safely prescribe potentially dangerous drugs without physician involvement. In no circumstances should prescription drugs be prescribed without the involvement of a physician who best knows a patient's medical history, treatment preferences and reaction to various prescribed medications.

Reduce Physician Burnout and Administrative Burden in Health Care

AI tools have the capacity to substantially alleviate physicians from an unnecessary administrative burden. Administrative burden is one of the leading contributing factors to physician burnout, which has led to our country's growing physician workforce shortage crisis. Therefore, reducing unnecessary time, administrative, cognitive, and other burdens for physicians should be priorities in the design and development of AI-enabled devices to allow physicians to better care for patients. AI tools can be used to reduce administrative burden by performing patient intake, scheduling, and prior authorization functions, for example, and can decrease cognitive burden, for instance, by helping physicians get to the right diagnoses and treatments faster.

Innovative AI technologies should support more time for direct patient care by physicians and other clinicians. AI products should be sufficiently tested (that is, used by actual end users under real-world circumstances and all intended use contexts) before deployment to ensure usability and to identify and address problems and technological burdens that may arise for clinicians and other members of the care team. Any mechanisms for clinicians to provide feedback on the performance of, or any issues

with the AI tool, should not be burdensome to the clinician. The College supports efforts to assess the effects of AI-enabled burden reduction tools, to ensure that these tools are doing what they aim to do and not contributing to more unnecessary burden for physicians.

New payment initiatives, especially those for value-based care, must support the use of AI technology as a mechanism to reduce burden and ideally improve quality. ACP has previously advocated that "payment policies should create incentives for physicians and other health professionals to use health information technologies that have the functions and capabilities needed to improve clinical decision-making at the point of care, including functions designed to support care consistent with evidence-based guidelines, care coordination, and preventive and patient-centered care." We have also called for all involved parties to "support the development, adoption and use of innovative technologies that seamlessly enable enhanced and coordinated patient-centered care." AI and ML–enabled tools have the potential to improve the quality of patient care and reduce health care costs, thereby promoting value-based care, and it is critical that they take on this role, rather than contribute to clinician burden.

Lastly, ACP recently wrote a letter to the Department of Health and Human Services (HHS), opposing the proposed Medicare pilot program, the Wasteful and Inappropriate Service Reduction (WISeR) Model. While ACP supports bipartisan efforts to reduce wasteful health care spending, prevent fraud, and streamline care delivery through methods such as prior authorization, we do not agree with the WISeR model's design. The WISeR model would outsource prior authorization functions to AI for Medicare beneficiaries, without imposing any safeguards to address potential bias, opacity and private/security issues. As proposed, the model would reward private-sector vendors based on cost savings achieved through denied claims. This arrangement would create a financial incentive to deny services, which could result in overly aggressive review practices and erode trust between clinicians, patients and the Centers for Medicare and Medicaid Services. While we support innovation, we strongly urge caution with this approach. Inviting the private sector to play a more active role in program design and implementation must be accompanied by strong safeguards to prevent undue influence and protect clinical decision-making.

Conclusion

ACP appreciates the opportunity to comment on ways to improve the provision of value-based care to patients and to employ technology responsibly in health care delivery. We support measures to improve chronic care, extend telehealth services and stabilize Medicare physician payments. If you have any further questions or if you need additional information from ACP, please contact George Lyons at (202) 261-4531 or glyons@acponline.org.