



**Association of
American Medical Colleges**
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Darrell G. Kirch, M.D.
President and Chief Executive Officer

December 9, 2016

The Honorable Paul Ryan
Speaker
U.S. House of Representatives
U.S. Capitol Building, H-232
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
U.S. Capitol Building, S-230
Washington, DC 20510

The Honorable Nancy Pelosi
Democratic Leader
U.S. House of Representatives
U.S. Capitol Building, H-204
Washington, DC 20515

The Honorable Charles Schumer
Democratic Leader-elect
U.S. Senate
322 Hart Senate Office Building
Washington, DC 20510

Dear Speaker Ryan, Majority Leader McConnell, Democratic Leader Pelosi and Democratic Leader-elect Schumer:

On behalf of the nations' medical schools and teaching hospitals, I write to affirm our commitment to informing policies addressing opportunities and challenges in our health care system, and to ensure all individuals receive the high quality care they need.

The Association of American Medical Colleges (AAMC) has long advocated a number of key principles as fundamental cornerstones of any successful health care system:

- High-quality, affordable health insurance should be available to all;
- Programs to support the health care safety net must be maintained at least at current levels until other affordable and high-quality coverage expansions are available;
- A growing demand for health care services requires investments in the physician workforce, and it is imperative to strengthen federal support for graduate medical education;
- Payments to physicians and hospitals must be at sufficient levels to ensure that access to care is not compromised; and
- Constraining health care spending in the long-term depends on innovation in the delivery system and research to facilitate health promotion, disease prevention, and care coordination.

These continue to be our principles as the Trump Administration and 115th Congress consider changes to the Patient Protection and Affordable Care Act (ACA) and any future reform. As explained below, to repeal the ACA without simultaneously enacting accompanying legislation specifically guaranteeing similar coverage would jeopardize the nation's health care system, affecting not only individuals, but also the medical schools and teaching hospitals that provide care to the most vulnerable patients. In other words,

there cannot be repeal without replace.

The AAMC is a not-for-profit association dedicated to transforming health care through innovative medical education, cutting-edge patient care, and groundbreaking medical research. Its members comprise all 147 accredited U.S. medical schools; nearly 400 major teaching hospitals and health systems, including 51 Department of Veterans Affairs medical centers; and more than 80 academic societies. Through these institutions and organizations, the AAMC serves the leaders of America's medical schools and teaching hospitals and their nearly 160,000 faculty members, 83,000 medical students, 115,000 resident physicians, and thousands of graduate students and postdoctoral trainees in the biomedical sciences.

The AAMC's mission is to "serve and lead the academic medicine community to improve the health of all." We are committed to continual improvement in health policy, and toward that end, we are providing, [*Policy Priorities to Improve the Nation's Health*](#), to the Trump Administration. We believe it will be a useful resource on a variety of issues, and we look forward to discussing its specific provisions and recommendations.

Academic medicine is central to the future of health care in this country. As the only place where patient care, cutting edge medical research, and the education of physicians and other health professionals come under a single umbrella, medical schools and teaching hospitals are uniquely positioned to improve the health of all Americans. Teaching hospitals and their faculty physicians achieve world-renowned heights of clinical excellence, while also tending to the basic needs of our nation's most vulnerable patients. Though they represent only five percent of America's hospitals, AAMC-member teaching hospitals provide nearly 25 percent of all hospital care, including 20 percent of all Medicare inpatient visits and 24 percent of all Medicaid inpatient visits, as well as deliver nearly 40 percent of the nation's charity care. These institutions are also committed to the nation and their communities as drivers of medical innovation, leading employers, providers of critical standby services, and partners in public health. Our academic medical centers strive for both greatness and inclusion, and work for a just and equitable health care system for all, including rural and urban underserved populations, racial and ethnic minorities, veterans, and seniors.

Most immediately, however, the AAMC is concerned by reports that the Administration and Congress may quickly take up an effort to repeal the ACA, in the absence of enacting a comprehensive alternative to guaranteeing that high-quality, affordable health insurance remains available to all Americans currently covered. While there is talk of delayed implementation of any repeal, we think the uncertainty associated with such an approach is untenable, not only for the individuals currently covered, but also for the entire health care system. While the AAMC is ready to engage with the Administration and Congress on a health reform agenda, we strongly believe that a concurrent approach is needed to avoid dangerous upheaval for patients, their families, and the dedicated providers who serve them.

First and foremost, repealing the ACA without provisions that equal the coverage for those currently receiving such protection would be disruptive to these individuals and their care. Even a potential delay could result in insurance market volatility that could leave no exchange products available to patients who have relied on them up to this point. It would be particularly unsettling for many of the recently-insured complex patients who require stability and continuity in their care. If these patients opt to forego or delay necessary medical care because of an inability to afford coverage, their otherwise treatable conditions could manifest into costlier, more complicated illnesses down the line. In addition, any delay in providing alternative coverage and stability could harm teaching hospitals' ability to provide complex, coordinated

care to the nation's most vulnerable patients. As community safety-net providers, teaching hospitals and their physician faculty care for greater numbers of dual-eligibles, disabled, and the underserved compared to other hospitals. If the Administration and Congress were to fail to enact a comprehensive replacement health program, access for these and other patients could be jeopardized.

In addition to the harmful impact on patients, repealing the ACA coverage provisions would also have a deleterious effect on teaching hospitals that serve as key safety net providers. Teaching hospitals already are under extreme financial pressure as they struggle to provide patient care while simultaneously supporting research and education; they cannot weather unstable times when revenue from Medicaid and individuals who are insured through the exchanges is uncertain. Further, teaching hospitals have been investing in clinical reforms designed to help restrain overall health care costs and meet the needs of their communities. The vacuum that would occur in the absence of an alternative coverage policy could stall these efforts and threaten the progress that has been made. Teaching hospitals also serve as economic anchors in their communities, employing thousands and spurring private sector investment and growth through the development of new industries, jobs, and technologies. Maintaining existing service and employment levels would be challenging in this environment.

The AAMC urges the Administration and Congress to follow a different approach, including the following elements:

First, Congress should commit to comprehensive reform immediately and enact accompanying legislation specifically guaranteeing similar or better coverage for those who will lose it. The leaders of the 115th Congress should express their commitment to patients and health care providers by repealing ACA provisions only as part of a comprehensive reform package, which would include meaningful replacement policies to maintain affordable coverage, stabilize the health care industry, and further propel health care innovation.

Second, Congress should protect states, taxpayers, and Medicaid beneficiaries by not repealing the Medicaid expansion. Many states have achieved expansion using Medicaid waiver authority, which has allowed them to tailor programs according to state priorities. If the Administration wishes to empower state decision-making, the use of waiver authority combined with the resources provided by the ACA can successfully achieve this objective. Repealing the Medicaid expansion would leave states with fewer resources, threatening not only patients, but also the safety net providers who care for them.

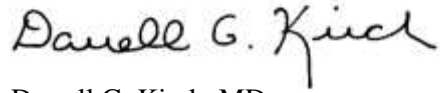
Third, Congress and the Administration should rely on the expertise of health care stakeholders to help develop any reform package. Such an effort would set the tone for collaborative policymaking discussions, and would quell uncertainty currently roiling the health care industry. The AAMC would approach such a discussion committed to finding solutions that maintain or improve upon current coverage levels and that also ensure affordability.

Finally, as the institutions that educate tomorrow's doctors, discover tomorrow's cures, and provide the world's best health care, we believe there is significant opportunity for academic medicine to work with the Administration and Congress to address several of President-elect Trump's other priorities. We look forward to advancing our joint goals, including support for cutting-edge medical research, investing in health care delivery infrastructure such as hospitals and the physician workforce, and mitigating excessive and unnecessary regulatory burden imposed on both researchers and clinical care providers.

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As you begin your work, please feel free to contact me or AAMC Chief Public Policy Officer Karen Fisher, JD (kfisher@aamc.org).

Sincerely,

A handwritten signature in black ink that reads "Darrell G. Kirch". The signature is written in a cursive style with a large, prominent "K" and "C".

Darrell G. Kirch, MD
President and Chief Executive Officer