September 29, 2010

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
H-232 U.S. Capitol
Washington, DC 20515

The Honorable John A. Boehner
Republican Leader
U.S. House of Representatives
H-204 U.S. Capitol
Washington, DC 20515

Dear Speaker Pelosi and Republican Leader Boehner:

The undersigned organizations urge Congress to take action during the first week of its lame-duck session in November to once again avert a Medicare physician access crisis.

The Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010 (P.L. 111-192) stabilized Medicare physician payments only until November 30, 2010. After that, Medicare and TRICARE payments for physician services will be slashed by more than 23 percent. To make matters worse, an additional cut of 6.5 percent will follow on January 1, 2011. Physician practices simply cannot absorb cuts of this magnitude in programs as important as Medicare and TRICARE.

Further, Congress must break the cycle of forestalling a crisis in patient access to physician care for only a few months at a time, and take action on legislation to provide stability and predictability for the program at least through 2011.

Throughout 2010, Congress enacted short-term, stop-gap measures for durations as short as one month. On three occasions, Congress failed to act in time and Medicare payments were cut by more than 20 percent. The Centers for Medicare and Medicaid Services reacted by ordering carriers to hold payments until legislation was passed. Importantly, these steps did not protect physician practices from all the consequences of the repeated Congressional delays. On the contrary, payment uncertainties and delays were highly disruptive. Many practices were forced to seek loans to meet payroll expenses, lay off staff, or cancel capital improvements and investments in electronic health records and other technology. Furthermore, when payments resumed, many physicians experienced long delays in receiving retroactive adjustments. This is not the way to manage a program that seniors and the disabled rely on; Congress must act to avoid a repeat of the disruptive cuts that occurred earlier this year.

The next payment reduction is scheduled to occur during the period when physicians may change their status from a Medicare participating physician, who accepts Medicare's allowance as payment in full, to a non-participating physician who may bill patients more than the Medicare allowance. Hundreds of thousands of physicians will be considering whether they can continue accepting Medicare rates at the same time that massive payment cuts are scheduled to take effect. We can anticipate that many physicians will be examining whether it makes any sense to continue their current relationship with Medicare given the severe disruptions of the past year.

All of our groups agree that the ultimate solution is to permanently replace the Sustainable Growth Rate (SGR) formula with a system that keeps pace with the cost of caring for our nation's seniors. Continuing the practice of enacting temporary patches serves no one well. Physicians are committed to taking the leadership in developing Medicare payment reforms to replace the SGR once and for all, and we are counting on Congress to make permanent reform a reality.

In the meantime, there is an imminent crisis. A statutory payment update that lasts at least through the end of 2011 will provide time for Congress and the physician community to develop a long term solution to ensure that seniors can count on finding physicians to care for them, and that physicians will not view Medicare and TRICARE as threats to the viability of their practice.

We urge Congress to take this action during the first week of its lame-duck session, before these massive cuts take effect yet again.

Sincerely,

AMDA – Dedicated to Long Term Care Medicine
American Academy of Dermatology Association
American Academy of Family Physicians
American Academy of Home Care Physicians
American Academy of Ophthalmology
American Academy of Otolaryngic Allergy
American Academy of Otolaryngology – Head and Neck Surgery
American Academy of Neurology Professional Association
American Academy of Pain Medicine
American Academy of Pediatrics
American Academy of Physical Medicine and Rehabilitation
American Academy of Sleep Medicine
American Association of Clinical Endocrinologists
American Association of Clinical Urologists
American Association of Hand Surgery
American Association of Orthopaedic Surgeons
American College of Cardiology
American College of Chest Physicians
American College of Emergency Physicians
American College of Gastroenterology
American College of Mohs Surgery
American College of Occupational and Environmental Medicine
American College of Osteopathic Family Physicians
American College of Osteopathic Internists
American College of Osteopathic Surgeons
American College of Physicians
American College of Preventive Medicine
American College of Radiation Oncology
American College of Radiology
American College of Rheumatology
American College of Surgeons
American Gastroenterological Association
American Geriatrics Society
American Medical Association
American Osteopathic Academy of Orthopedics
American Osteopathic Association
American Psychiatric Association
American Rhinologic Society
American Society for Clinical Pathology
American Society for Gastrointestinal Endoscopy
American Society for Radiation Oncology

American Society for Reproductive Medicine
American Society of Addiction Medicine
American Society of Anesthesiologists
American Society of Breast Surgeons
American Society of Clinical Oncology
American Society of Colon and Rectal Surgeons
American Society of Hematology
American Society of Nephrology
American Society of Nuclear Cardiology
American Society of Pediatric Nephrology
American Urogynecologic Society
American Urological Association
Association of American Medical Colleges
College of American Pathologists
Heart Rhythm Society
Infectious Diseases Society of America
Joint Council of Allergy, Asthma and Immunology
Medical Group Management Association
Radiological Society of North America
Renal Physicians Association
Society for Vascular Surgery
Society of Gynecologic Oncologists
Society of Hospital Medicine
The Endocrine Society
The Society of Thoracic Surgeons

Medical Association of the State of Alabama
Alaska State Medical Association
Arizona Medical Association
Arkansas Medical Society
California Medical Association
Colorado Medical Society
Connecticut State Medical Society
Medical Society of Delaware
Medical Society of the District of Columbia
Florida Medical Association Inc
Medical Association of Georgia
Hawaii Medical Association
Idaho Medical Association
Illinois State Medical Society
Indiana State Medical Association
Iowa Medical Society
Kansas Medical Society
Kentucky Medical Association
Louisiana State Medical Society
Maine Medical Association
MedChi, The Maryland State Medical Society
Massachusetts Medical Society
Michigan State Medical Society
Minnesota Medical Association
Mississippi State Medical Association

Missouri State Medical Association
Montana Medical Association
Nebraska Medical Association
Nevada State Medical Association
New Hampshire Medical Society
Medical Society of New Jersey
New Mexico Medical Society
Medical Society of the State of New York
North Carolina Medical Society
North Dakota Medical Association
Ohio State Medical Association
Oklahoma State Medical Association
Oregon Medical Association
Pennsylvania Medical Society
Rhode Island Medical Society
South Carolina Medical Association
South Dakota State Medical Association
Tennessee Medical Association
Texas Medical Association
Utah Medical Association
Vermont Medical Society
Medical Society of Virginia
Washington State Medical Association
West Virginia State Medical Association
Wisconsin Medical Society
Wyoming Medical Society

cc: U.S. House of Representatives