

March 28, 2008

The Honorable Daniel K. Akaka
United States Senate
141 Hart Senate Office Building
Washington, DC 20510

Dear Senator Akaka:

The undersigned organizations are writing to request that you cosponsor S. 2785, the "Save Medicare Act of 2008." This bill is a critical step in preserving seniors' access to care under the Medicare program and providing respite from annual efforts to block cuts in payments to physicians and other health care professionals. The 18 months of relief provided by this bill will allow Congress the time needed to thoroughly examine the shortcomings of the current system and allow for the thoughtful development of a replacement system that will truly serve the needs of Medicare beneficiaries and provide stability for those who care for them.

Under the current, fatally flawed Medicare physician payment update formula, payments are scheduled to fall by 10.6% as of July 1 of this year. An additional projected cut for 2009 would increase the size of the cuts to more than 15%, with about 40% in cuts projected for the coming decade. With practice costs increasing 20% over this time period, cuts of this magnitude will create an access crisis for Medicare patients. In an AMA survey, 60% of responding physicians said they would have to limit the number of new Medicare patients they treat if the July cut takes effect, and more than half said they could not meet their current payroll and would be forced to reduce their staff. In fact, the Medical Group Management Association found in a recent survey that 24% of group practices have already reacted to the pending 10.6% cut by limiting their acceptance of new Medicare patients.

It is critical, therefore, that Congress take immediate action to replace the next 18 months of cuts with positive updates. S. 2785 would achieve this goal by extending the current 0.5% update through December 31, 2008, and providing a 1.8% update for 2009, which corresponds to the final 2008 Medicare Economic Index (MEI), the government's conservative measure of annual medical practice cost increases.

S. 2785 would also help preserve access to care in rural areas by extending certain provisions from July 1, 2008, through December 31, 2009, such as the work GPCI floor and the 5% scarcity area bonus payment. The bill would also continue an accommodation for physicians in the armed services to engage in substitute billing arrangements for longer than 60 days when they are ordered to active duty.

We fully appreciate the impact that changes in Medicare payment rates have on the growth of beneficiary premiums and we support proposals that minimize that impact. We also recognize the need to slow the growth of spending in the Medicare program, and we are committed to working on opportunities that have the potential to accomplish this goal, such as comparative effectiveness and greater adoption of electronic prescribing technology. We believe initiatives like these can help restrain the growth in spending in the Medicare program and look forward to working with Congress on their design and implementation.

We appreciate your ongoing concern about the negative impact of the Medicare physician payment update system, and its resultant cuts, on Medicare beneficiaries' access to care. We believe that S. 2785 will provide the necessary time for Congress and the medical community to develop a long-term solution that will preserve access for current beneficiaries and those to come. Accordingly, we strongly urge your cosponsorship of this legislation.

Sincerely,

American Academy of Dermatology Association
 American Academy of Family Physicians
 American Academy of Home Care Physicians
 American Academy of Neurology Professional Association
 American Academy of Ophthalmology
 American Academy of Otolaryngology – Head and Neck Surgery
 American Academy of Physical Medicine and Rehabilitation
 American Academy of Physician Assistants
 American Association for the Study of Liver Diseases
 American Association of Clinical Endocrinologists
 American Association of Clinical Urologists
 American Association of Nurse Anesthetists
 American Chiropractic Association
 American College of Cardiology
 American College of Chest Physicians
 American College of Gastroenterology
 American College of Osteopathic Internists
 American College of Osteopathic Surgeons
 American College of Physicians
 American College of Radiology
 American College of Rheumatology
 American College of Surgeons
 American Gastroenterological Association
 American Geriatrics Society
 American Medical Association
 American Occupational Therapy Association
 American Optometric Association
 American Osteopathic Academy of Orthopedics

American Osteopathic Association
 American Physical Therapy Association
 American Podiatric Medical Association
 American Psychiatric Association
 American Rhinologic Society
 American Society for Gastrointestinal Endoscopy
 American Society for Reproductive Medicine
 American Society for Therapeutic Radiation and Oncology
 American Society of Addiction Medicine
 American Society of Breast Surgeons
 American Society of Clinical Oncology
 American Society of General Surgeons
 American Society of Hematology
 American Society of Pediatric Nephrology
 American Society of Plastic Surgeons
 American Speech-Language-Hearing Association
 American Urogynecologic Society
 American Urological Association
 Association of American Medical Colleges
 Emergency Department Practice Management Association
 Heart Rhythm Society
 Infectious Diseases Society of America
 Marshfield Clinic
 Medical Group Management Association
 National Association of Social Workers
 National Association of Spine Specialists
 National Rural Health Association
 Renal Physicians Association
 Society for Cardiovascular Angiography and Interventions
 Society for Vascular Surgery
 Society of Gynecologic Oncologists
 Society of Hospital Medicine
 Society of Thoracic Surgeons
 The Endocrine Society

Medical Association of the State of Alabama
 Alaska State Medical Association
 Arkansas Medical Society
 California Medical Association
 Colorado Medical Society
 Connecticut State Medical Society
 Florida Medical Association Inc
 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
Massachusetts Medical Society
MedChi, The Maryland State Medical Society
Medical Association of Georgia
Medical Society of Delaware
Medical Society of New Jersey
Medical Society of Virginia
Medical Society of the District of Columbia
Medical Society of the State of New York
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
New Mexico Medical Society
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
Washington State Medical Association
West Virginia State Medical Association
Wisconsin Medical Society
Wyoming Medical Society