



January 21, 2010

The Honorable Harry Reid
Majority Leader
U.S. Senate
S-221 U.S. Capitol
Washington, DC 20510

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

Dear Majority Leader Reid and Speaker Pelosi:

On behalf of the American Medical Association (AMA) and AARP, we strongly urge you to support legislation to permanently repeal the Medicare Sustainable Growth Rate that currently governs Medicare physician payments.

Public opinion research conducted last year found that two-thirds of people over 50 are concerned that the current health care system limits their ability to see the doctor of their choice. These fears have been compounded by the annual struggle in Congress to avert Medicare physician payment cuts. Instead of stabilizing this vital health care program, temporary patches have increased the size of future cuts and raised the cost of permanent reform. The ubiquitous threat of steep cuts jeopardizes seniors' access to care and physicians' confidence in the government's commitment to a strong and reliable Medicare program.

After a 60-day reprieve, physicians and other health professionals face an unprecedented 21 percent cut in Medicare payment rates March 1, 2010, with additional cuts in future years. By repealing the SGR formula, the "Medicare Physician Payment Reform Act" would eliminate all these forecast cuts. The window of opportunity for Congress to act is closing rapidly.

Congress has fallen into a bad habit of kicking the can down the road, but each temporary "band-aid" triggers deeper future cuts and increases the cost to permanently repeal a formula that has been universally criticized by Democrats and Republicans. The AMA and AARP strongly believe this cycle must come to an end. The Medicare program has already made these commitments to our seniors. To continue to grow the size of the problem is fiscally irresponsible.

The Congressional Record is replete with statements by Senators from both sides of the aisle calling for permanent Medicare physician payment reform. What is missing, however, is action. As the nation's largest organizations representing physicians and older Americans, we urge you to support passage of legislation to permanently repeal the SGR.

Sincerely,

Michael D. Maves, MD, MBA
Executive Vice President
American Medical Association

Nancy A. LeMond
Executive Vice President
Social Impact Group
AARP

cc: U.S. House of Representatives
U.S. Senate