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November 17, 2011

The Honorable Phil Gingrey, MD
U.S. House of Representatives
442 Cannon House Office Building
Washington, DC 20515-1011

Dear Doctor Gingrey:

On behalf of its physician and medical student members, the American Medical Association (AMA) urges the physician Members of Congress to work with the House leadership to pass bipartisan legislation to repeal Medicare's sustainable growth rate (SGR) formula before a 27.4 percent cut in physician payments occurs on January 1, 2012.

We find ourselves once again at the 11th hour. Congress has a full legislative agenda with few days remaining in the session. Yet, there have been disturbing press reports recently quoting members of the physician caucus as saying they are working on a proposal to repeal the SGR through offsets that cannot secure bipartisan support. There simply is no time to waste on an SGR proposal that stands no chance of being enacted into law.

We also are deeply disturbed by other reports saying that members of the physician caucus will propose yet another short-term patch to stop the imminent cut. As you know, Congress had to act five times to pass short-term measures to stop the Medicare physician payment cut scheduled for 2010. In about six weeks from now, an even deeper cut is scheduled to take effect. The repeated pattern of short-term solutions that Congress has employed for over a decade creates havoc for physicians and patients, and serves only to raise the cost of true payment reform.

Last March, 80 national physician organizations and all the nation's state medical societies wrote to urge Congress to work in a bipartisan, bicameral manner to enact legislation this year to eliminate the SGR and lay the groundwork for adoption of broader physician payment and delivery reforms. We believe that the Joint Select Committee on Deficit Reduction holds great promise for achieving that goal.

Senators and Representatives of both political parties, the President, and members of the physician caucus have all expressed support for permanently addressing the SGR. Many independent commissions and policy experts have also recommended eliminating the payment formula. The physician community is looking to its colleagues in Congress to lead the way forward to break the disruptive cycle of short-term actions that result in higher federal expenditures to perpetuate a flawed policy, and help achieve a long-term and fiscally responsible solution.

Sincerely,

A handwritten signature in black ink that reads "Jim L. Madara". The signature is written in a cursive, flowing style.

James L. Madara, MD