

August 29, 1997

The Honorable Max Baucus  
United States Senate  
511 Hart Senate Office Building  
Washington, D.C. 20510

Dear Senator Baucus:

The undersigned organizations wish to express our appreciation for your role in supporting inclusion of the language in the Balanced Budget Act of 1997 (BBA '97) calling for a 10% down payment for undervalued office visits. With the inclusion of this language, the practice expense package adopted by Congress has the support of the over 300,000 physicians that represent the combined membership our organizations.

We have heard that some specialty societies may attempt to re-open this carefully crafted compromise, however, under the guise of a technical corrections bill or through some other vehicle. *For the following reasons, we strongly urge you to oppose any effort to re-open the practice expense issue:*

- ◆ Any change in the down payment language will not be "technical" in nature. We understand, for instance, that there may be a proposal to spread the reductions over all non-primary care services in order to fund the \$390 million increase in payments for office visits, rather than targeting the reductions to a smaller number of overvalued procedures. This change would substantially alter which services and specialties would be reduced, and by how much, and therefore would constitute an extremely controversial--and divisive--proposal.
- ◆ Funding the down payment through an across-the-board cut in all non-primary care procedures would result in more procedures being cut and more physicians being adversely affected than would occur under the targeted reductions in the BBA '97. It would also reduce payments for many procedures that are expected to gain under resource-based practice expenses. Such procedures are explicitly exempted from reductions under the down payment language in the BBA '97.
- ◆ If the down payment language is re-opened, then the entire practice expense package would also be open for re-examination. Our groups accepted the one year delay in the final rule, the four year transition, and the language directing HCFA to obtain more data *conditioned on* the down payment language also being adopted. If the down payment language is modified, then Congress can expect that changes will be sought in the other practice expense provisions.
- ◆ Our groups are concerned about this controversial issue being re-opened in a technical corrections bill, which could again result in every interest group that is unhappy with certain aspects of the BBA' 97 to load up the bill with other non-technical changes.

Congress did an excellent job in crafting a compromise position on practice expenses that the vast majority of physicians will support. We certainly don't welcome the prospect of re-opening a divisive legislative fight over the same issues, and we can't believe that Congress would either.

Sincerely,

American Academy of Family Physicians  
American Academy of Pediatrics  
American College of Physicians  
American College of Rheumatology  
American Society of Internal Medicine

American Osteopathic Association  
American Society of Clinical Oncology