



May 31, 2012

Dear Member of Congress:

On behalf of the American College of Physicians (ACP), I am writing to ask you to help bring about overdue reforms in the way Medicare pays for physician services by cosponsoring H.R. 5707, the Medicare Physician Payment Innovation Act (MPPIA) of 2012.

This bipartisan bill, introduced by Representatives Allyson Y. Schwartz (D-PA) and Joe Heck (R-NV), finally solves the long standing Sustainable Growth Rate (SGR) dilemma while transitioning Medicare from a system that rewards volume to one that promotes high-quality and efficient care.

ACP is the nation's largest specialty society, and second largest physician membership organization, representing 132,000 internal medicine specialists and medical student members. Internal medicine specialists provide primary and comprehensive care to adolescents and adults and care for more Medicare patients than any other specialty.

The Medicare Physician Payment Innovation Act achieves five essential policies:

1. Repeals the Sustainable Growth Rate (SGR), fully paid for by using money that has been set aside for military operations that are not needed and will never be spent. To our knowledge, this is the first and only bipartisan bill to repeal the SGR in a fiscally responsible way.

2. Protects access to care for seniors, disabled persons, and military families, by eliminating all scheduled SGR cuts, including a nearly 30 percent cut on January 1, 2013. Patients need the certainty of knowing that the government will not impose cuts that could force many doctors out of the Medicare and TriCare programs. (TriCare updates are set by the Medicare SGR formula, so military families are at the same risk of losing access to doctors as persons enrolled in Medicare because of the scheduled cuts).

3. Stabilizes payments through 2018, with no cuts for the next six years and positive updates for all physicians during 2014-2017. The bill continues current Medicare rates through 2013; provides positive updates of 0.5 percent to all physicians in calendar years 2014-2017, and then extends the 2017 rates through December 31, 2018. This sustained period of stability is needed to ensure access while allowing time for Medicare to work with physicians to test, disseminate and prepare for new value-based payment models.

4. Provides a higher update for undervalued primary, preventive and coordinated care services, whether delivered by primary care physicians or by other eligible specialists. The bill provides a 2.5 percent annual update for designated primary care, coordinated care, and preventive service codes for calendar years 2014-2017. Such incentives are critical to improving care coordination and addressing payment inequities that contribute to severe shortages in internal medicine, family medicine, internal medicine subspecialties, neurology and other fields.

5. Accelerates development, evaluation, and transition to new payment models, developed with input from the medical profession and with external validation. ACP and other physician organizations have been directly involved in advancing new models of payment and delivery that are centered on patients' needs, including working with the Centers for Medicare and Medicaid Services (CMS), private payers, business and consumer groups to broadly test the Patient-Centered Medical Home model, which is showing success in improving outcomes and reducing costs. The six-and-a-half years established by the bill for CMS to develop, evaluate, and then adopt at least five new models, including an alternative fee-for-service option for physicians who participate in designated quality improvement programs, will help ensure that CMS and Congress "get it right" in determining the best models. Although ACP generally believes that penalties for non-adoption are not advisable, the goal of this bill is for all physicians to be able to avoid penalties by giving them the opportunity to participate in a successful model that best meets their own practice circumstances. Congress must hold CMS accountable for ensuring that a viable model is available for all physicians.

In conclusion, ACP urges you to cosponsor the Medicare Physician Payment Innovation Act of 2012, H.R. 5707, and to partner with ACP, other supportive stakeholders, and your House colleagues to enact the legislation in this session of Congress. By doing so, we can succeed, not only in stopping the next SGR cut from taking place on January 1, 2013 and preventing these cuts from again threatening seniors and their physicians, but we can bring about essential Medicare physician payment reforms to improve the quality of the health care Medicare is able to deliver in the future.

If you have questions or would like to discuss any aspect of the bill, please contact Rich Trachtman, ACP Director of Legislative Affairs at rtrachtman@acponline.org, (202) 261-4538.

To cosponsor, please call Ryan McBride (Rep. Heck), 5-3252 or Charlene MacDonald (Rep. Schwartz), 5-6111.

Sincerely,



David L. Bronson, MD, FACP
President, American College of Physicians