



AMERICAN COLLEGE OF PHYSICIANS
INTERNAL MEDICINE | *Doctors for Adults*®

December 2, 2013

The Honorable John D. Rockefeller, IV
United States Senate
531 Hart Senate Office Building
Washington, D.C. 20510

The Honorable Angus King
United States Senate
359 Dirksen Senate Office Building
Washington, DC 20510

Dear Senators Rockefeller and King:

On behalf of the American College of Physicians (ACP), I appreciate this opportunity to respond to your request for comments on The Medicare Drug Savings Act (S. 740, H.R. 1588) and its potential to achieve savings for the Medicare program and provide the necessary funding for the repeal of the Sustainable Growth Rate (SGR) formula.

ACP is the largest medical specialty organization and second-largest physician group in the United States, representing 137,000 internal medicine physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum, from health to complex illness.


The College supports enabling the federal government to act as a prudent purchaser of prescription drugs, including advocating that drug manufacturers provide a rebate to low-income Medicare patients enrolled in Part D. We believe that Medicare should have the authority to negotiate the price of drugs offered under Part D, similar to the authority that the Veterans Administration has to negotiate the price of drugs for veterans.

We believe, however, that reinstating the Medicare Part D rebate, as your bill would do, is only one of many appropriate options that could be considered to fund SGR repeal and/or reversing harmful sequestration cuts. The College has offered Congress a [menu of deficit reduction options](#) going back to the summer of 2011 that includes concrete and specific ideas for how to reduce federal spending by hundreds of billions of dollars by improving the effectiveness of health care; making necessary and appropriate changes in Medicare and Medicaid, while ensuring they can continue to meet their core mission of making high-quality patient care available to seniors, people with disabilities, and the poor; improving payment and delivery systems; reducing the costs of defensive medicine; and supporting the proven value of primary care. This menu includes an approach consistent with that outlined in The Medicare Drug Savings Act, as well as other approaches, several of which were reiterated in a recent [ACP letter to the Budget Conference Committee leaders](#).

ACP recognizes that almost all of the policy options to fund SGR repeal and reverse harmful sequestration cuts are controversial—particularly if any one of them is chosen as the only or primary means of achieving the necessary savings. At a time when Congress is making unprecedented bipartisan and bicameral progress on reaching agreement on repealing the SGR and reforming physician payments, it is essential that Congress also work in a bipartisan and bicameral fashion to find the best options to fund SGR repeal.

In conclusion, the College supports the policy objectives of the Medicare Drug Savings Act, but we have not specifically endorsed any one single funding mechanism for SGR repeal. We recommend that Congress continue to work in a bipartisan and bicameral basis to explore a wide range of potential options for funding repeal of the SGR and reversing harmful sequestration cuts, including but not limited to reinstating the Medicare Part D rebate.

Sincerely,

A handwritten signature in black ink, appearing to read "Molly Cooke", with a long horizontal flourish extending to the right.

Molly Cooke, MD, FACP
President