

United States Senate

WASHINGTON, DC 20510

September 17, 2009

President Barack Obama
The White House

Dear Mr. President:

As you continue working with Congress to facilitate the passage of health care reform legislation, we write to emphasize the need to realign spending in the Medicare program to focus on providing more value to beneficiaries. We support many of the Medicare payment reforms that are included in current versions of health care reform legislation, but believe additional effort must be made to get better care at a lower cost.

In your September 9, 2009 address to Congress you correctly identified the need to improve Medicare's efficiency in a way that will reduce costs and promote better quality throughout the health care industry. We believe that a fundamental way to achieve this goal is to realign the Medicare payment system to reward health care providers for the quality of care they deliver, not simply the quantity of services they provide.

We represent states and regions that have demonstrated true leadership in lowering costs to Medicare while increasing the quality of care patients receive. The "high efficiency" areas we represent are known for utilizing integrated health delivery systems and innovative quality measures to provide Medicare beneficiaries with better value. Research shows that these efficient delivery practices can save the Medicare program upwards of \$100 billion a year, while also providing beneficiaries better access to the care they need.

Unfortunately, as you know, the current Medicare payment structure penalizes those who provide efficient care, while rewarding those who order unnecessary tests and services. To incentivize more efficient health care practices, Medicare needs to incorporate a payment system that factors in the quality of care provided relative to its cost. This new payment methodology needs to reward providers who achieve good quality outcomes at a low cost. Such a change is critical to reigning in costs and improving patient outcomes.

As the process of crafting health care reform legislation moves ahead, we look forward to working with you to ensure improvements to Medicare provide seniors with reliable, affordable health coverage.

Sincerely,



Maria Cantwell
United States Senator



Amy Klobuchar
United States Senator

Ron Wyden

Patty Murray

Patrick Leahy

Susan Collins

Judd Gregg

Herb Kohl

Nassir Hamed

J. Webb

Mark R. Warner

Mark F. Wood

Tom Udall

Mark Udall

Jeffrey A. Markley

Al Franken

Jeanne Shaheen

John Thune

Richard Lugar

Tim Johnson

Walter Craig

Joe Manchin

Bob Bennett

Carl Levin

Tom Harkin

Mark Warner

Ben Rayburn

John