

March 18, 2014

The Honorable Harry Reid Majority Leader U.S. Senate Washington, D.C. 20510

The Honorable Ron Wyden Chairman Finance Committee U.S. Senate Washington, D.C. 20510 The Honorable Mitch McConnell Minority Leader U.S. Senate Washington, D.C. 20510

The Honorable Orrin Hatch Ranking Member Finance Committee U.S. Senate Washington, D.C. 20510

Dear Sirs:

On behalf of the American College of Physicians (ACP), representing 137,000 internal medicine physician specialists and medical student members, I write to express our support for the *Medicare SGR Repeal and Beneficiary Access Improvement Act*, S.2110.

A Senate vote for this bill could represent an essential step forward to reaching a bipartisan agreement with the House of Representatives on legislation to permanently repeal the broken Medicare Sustainable Growth Rate (SGR) formula and begin the transition to a better payment system for patients and their physicians.

We recognize that there continue to be differences between the House and Senate and Republicans and Democrats on how to address the budget impact of SGR repeal and over extenders. Our support for the *Medicare SGR Repeal and Beneficiary Access Improvement Act* is based solely on the merits of the bill itself as it relates to the SGR and reforming physician payments, not an expression by us of how the Senate and House should resolve their differences over budget offsets. Such issues need to be resolved through direct Senate-House negotiations over a final bill that will pass both chambers and be signed by the president.

Disagreement over how to resolve the budget issues relating to SGR repeal, though, is not a reason for senators to vote against the *Medicare SGR Repeal and Beneficiary Access Improvement Act*. This bill is nearly identical to the bipartisan, bicameral bill developed by the Senate Finance, House Ways and Means, and House Energy and Commerce Committees, endorsed by ACP and over 600 physician membership organizations, state and national, encompassing all specialties and types of practice—with the addition of several extenders for programs that otherwise will sunset (for which we have no position).

The Medicare SGR Repeal and Beneficiary Access Improvement Act should be passed by the Senate based on its own merits, even as the Senate and House must redouble their efforts to reach an accord over the budget issues relating to SGR repeal. It would be best if such differences could be resolved through direct negotiations between the chambers before the bill

comes up for a vote in the Senate, if not immediately thereafter in a Senate-House conference committee.

The Senate needs to pass this bill and the Senate and House must reach an agreement on the budget issues (and any extender issues) before the current SGR "patch" expires on midnight, March 31. The College does not support another patch. We believe that passing another patch that puts SGR repeal off to later this year or even next year will not make it any easier to resolve the remaining differences over offsets and extenders and could derail any movement to a permanent solution to the SGR.

In conclusion, Democrats and Republicans in both the House and Senate have made enormous progress in reaching agreement on policies to repeal the SGR and begin the transition to a better payment system. The College does not discount the difficulty of reaching agreement on the remaining obstacle, which is how to address the budget impact of SGR repeal. Yet it would be tragic for patients enrolled in Medicare and their physicians if Congress does not take the remaining steps needed to reach a bipartisan, bicameral agreement on a final bill, including the offset and budget issues. Finally, ACP will not support tying SGR repeal to changes in current law that would increase the number of uninsured.

The Senate Finance, House Ways and Means, and House Energy and Commerce Committees have crafted a bipartisan solution to the SGR that has nearly universal support in Congress and in the medical profession; these policies have been directly incorporated into the *Medicare SGR Repeal and Beneficiary Access Improvement Act*. This bill deserves your support, even as we reiterate our call for Congress to resolve the remaining issues in direct bipartisan, bicameral negotiations.

Yours truly,

Molly Cooke, MD, FACP

President

Cc: U.S. Senators