February 10, 2014

The Honorable Michael C. Burgess, MD
U.S. House of Representatives
2336 Rayburn House Office Building
Washington, DC 20515

Dear Representative Burgess:

On behalf of the American Medical Association (AMA), I am writing to express our strong support for the “SGR Repeal and Medicare Provider Payment Modernization Act of 2014” (H.R. 4015/S. 2000). The development of a bipartisan and bicameral solution for a problem that has bedeviled lawmakers for more than a decade is a significant accomplishment.

Previous Congresses have spent more than $150 billion over the past 12 years to preserve access to care for Medicare beneficiaries by forestalling SGR mandated cuts. However, during that time, few steps have been taken to modernize the Medicare physician payment system to increase quality and value. The legislation, in contrast, contains important reforms that will support improvements in health care delivery. Furthermore, by ending the cycle of temporary patches to a flawed system, this proposal represents not only critical payment and delivery reform, but prudent fiscal policy as well.

The Sustainable Growth Rate formula was flawed policy from the moment it was enacted. The time for its repeal is now. We thank you for the truly impressive efforts that have been made in developing the “SGR Repeal and Medicare Provider Payment Modernization Act” and your responsiveness to issues raised by the AMA and others in the physician community. We pledge our continued support to help enact this law quickly.

Sincerely,

James L. Madara, MD