

March 19, 2015

The Honorable John Boehner Speaker U.S. House of Representatives Washington, DC 20515

The Honorable Kevin McCarthy Majority Leader U.S. House of Representatives Washington, DC 20515

Dear Sirs and Madam,

The Honorable Nancy Pelosi Minority Leader U.S. House of Representatives Washington, DC 20515

The Honorable Steny Hoyer Minority Whip U.S. House of Representatives Washington, DC 20515

On behalf of the American College of Physicians (ACP), I write to express our strong support for the SGR Repeal and Medicare Provider Payment Modernization Act of 2015. This legislation represents years of bipartisan policy development toward a new physician payment system that brings better value to patients and to the entire health care system. We urge you to expedite this legislation to the floor for a vote and enact it before a 21 percent physician payment cut goes into effect on April 1<sup>st</sup>.

ACP members include 141,000 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.

With enactment of this legislation, physicians would no longer be faced with the threat of annual payment cuts. Instead, the Sustainable Growth Rate (SGR) would be eliminated – permanently – and physicians would see positive, stable baseline payments during a transition period to new payment models. Physician-led efforts to improve quality and lower costs would be recognized with higher incentive updates. Physicians would also have the opportunity to receive higher updates for moving into alternative payment models that focus on accountability and care coordination, including Patient-Centered *Primary Care* Medical Homes and Patient-Centered Medical Home *Specialty* Practices. We are also pleased to see that the legislation consolidates the three existing quality programs into a streamlined and improved program that rewards physicians who meet performance thresholds and improve care for seniors.

This bill, based largely on bipartisan, bicameral SGR-repeal legislation in the last Congress (H.R. 4015/S. 2000), is the product of unprecedented effort on the part of the Medicare committees and so many in the medical community. Just this month, over 750 medical associations again reiterated their strong support for finally eliminating the flawed SGR formula and enacting legislation based on the policy principles outlined in H.R. 4015/S. 2000 in the 113<sup>th</sup> Congress.

The College does not discount the difficulty of reaching agreement on how to address the costs associated with repealing the SGR. Yet we believe that this bill represents a *fiscally-responsible* solution to the SGR by putting an end to the practice of Congress passing seemingly endless SGR "patches" that each time has cost taxpayers tens of billions of dollars; 17 patches over the past 11 years that have neither achieved SGR repeal nor advanced real reform in physician payments.

ACP applauds Congress for this historic and bold move to enact SGR-repeal legislation that will lead us to a better, more value-based payment and delivery system. This opportunity may not come again, so we are counting on you to get this done before April 1<sup>st</sup>.

Yours truly,

David Fleming, MD, MA, MACP

President

CC: U.S. House of Representatives

Senate Majority and Minority Leaders

Chair/Ranking Member: Senate Finance Committee