



AMERICAN ACADEMY OF
FAMILY PHYSICIANS
STRONG MEDICINE FOR AMERICA

November 2009

SUPPORT HR 3961 – MEDICARE PHYSICIAN PAYMENT REFORM ACT

RECOMMENDATION

- Family Medicine urges passage of the *Medicare Physician Payment Reform Act* (HR 3961).
- This legislation will “wipe the slate clean” on the accounting debt accumulated over many years due to the flawed Medicare sustainable growth rate (SGR) formula. The President’s budget and the Congressional budget resolution included this change.
- HR 3961 would repeal the SGR formula that CMS currently uses to establish annual Medicare physician payment updates. Congress included a broader more-inflation sensitive mechanism in HR 3962, the health care reform bill that the House just passed.

SUGGESTED TALKING POINTS

- Please vote to pass HR 3961, which eliminates the accumulated accounting debt caused by the flawed SGR formula. HR 3961 “presses the reset button” on the budget baseline and clears the way for adoption of a reasonable formula to determine Medicare physician payment.
- Annual Medicare payment cuts -- 21 percent next year -- create an unstable and unpredictable program. Physicians may be forced to stop seeing Medicare patients, who already are worried about the stability of this program. Elderly patients should not have to worry about the security of their health care. A recent AARP survey found 87 percent of respondents believe it is important for providers to be reimbursed adequately so they can continue to accept Medicare patients. HR 3961 invests \$210 billion to maintain ongoing, quality, accessible, rehabilitative and medical care for our nation’s seniors.
- Many of America’s family physicians’ practices are small businesses. While they are committed to seeing their long-time patients, declining Medicare payments will make it unaffordable for them to take new Medicare patients.
- This bill affects the larger insurance pool. Many private insurance companies look to Medicare payment rates when determining the amounts they will pay physicians.

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