

AAFP "Increasingly Alarmed" at Impact of Tax Reform Bill

The AAFP appreciates the need to reform our nation's tax code. However, we are growing increasingly alarmed that the tax legislation under consideration in the United States Senate, if passed, would trigger automatic spending cuts as required by the "Statutory Pay-As-You-Go Act of 2010." These automatic, statutory cuts would significantly harm the Medicare program in the short-term and potentially eliminate the program as we know it in the long-term. Should the *Tax Cuts and Jobs Act* pass, in 2018 Medicare would suffer a \$25 billion budget cut that would potentially compromise access to primary care for the more than 58 million Americans that depend on the program for their health care.

A \$25 billion cut to Medicare translates to a four-percent across-the-board reduction in payments to physicians and other health care providers in 2018, with potentially equally devastating cuts each year for the next 10 years.

The AAFP has been a supportive partner with lawmakers on the evolving approach to how Medicare compensates physicians and in the ongoing transition to a value-based payment model. To legislate now in a manner that slashes Medicare payments indiscriminately is not the appropriate approach and borders on irresponsible. This action, in combination with the repeal of the individual mandate, is an assault on health care access for millions of Americans.

There is a very narrow window of opportunity for lawmakers to reconsider their approach towards health care in this legislation. We implore Congress to fully consider the widespread, negative impact this legislation would have on the Medicare program, its more than 58 million beneficiaries, and the millions of Americans who would lose health insurance coverage.