May 21, 2015

Hon. Mitch McConnell  
Majority Leader  
United States Senate  
The Capitol, Room S-230  
Washington, D.C. 20510

Hon. Harry Reid  
Minority Leader  
United States Senate  
The Capitol, Room S-221  
Washington, D.C. 20510

RE: Trade Adjustment Assistance Reauthorization Act of 2015

Dear Senators McConnell and Reid:

On behalf of the 120,900 members of the American Academy of Family Physicians (AAFP), I urge you to replace Section 12 of the Trade Adjustment Assistance Reauthorization Act of 2015 (S 1268) before the Senate completes its consideration of the measure. If enacted, Section 12 would continue a troubling trend of Congress lengthening and deepening Medicare sequester cuts, so damaging to the delivery of health care, in order to offset spending on other federal priorities.

Pursuant to the Budget Control Act of 2011 (BCA), family physicians and other Medicare providers have experienced a uniform 2-percent reduction to their Medicare payments since April 1, 2013. Under the BCA, those cuts were to continue through the end of FY 2021. Subsequent legislation has extended these automatic cuts through FY 2023 (Bipartisan Budget Act of 2013) and then FY 2024 (S 25, which restored certain benefits for military veterans). Congress then “realigned” the sequester for FY 2024 (in the Protecting Access to Medicare Act of 2014) by doubling the size of the cut to 4 percent for April 2024 through September 2024, and correspondingly reducing the cut to 0 percent for October 2024 through March 2025. Now, Congress appears poised to revisit the sequester by adding 0.25 percent during the period of October 2024 through March 2025, which the Congressional Budget Office estimates will reduce Medicare spending by $700 million.

The AAFP urges the Senate to halt this approach to spending offsets now. If S 1268 is enacted as reported by the Finance Committee, this will mark the fourth time in 18 months that Congress has looked to the sequester policy to find additional funds, and the first time that Congress will have deepened the cumulative cut during a fiscal year. Continuing to double down on the sequester is destructive enough; using these reductions in Medicare to pay for non-Medicare programs is even more alarming to family physicians.
If you or your staff would like to discuss this further, please do not hesitate to contact Kevin Burke, AAFP Director of Government Relations at kburke@aafp.org.

Sincerely,

Reid B. Blackwelder, MD, FAAFP
Board Chair