



AMERICAN ACADEMY OF
FAMILY PHYSICIANS
STRONG MEDICINE FOR AMERICA

January 15, 2014

Hon. John Boehner
Speaker of the House
U.S. House of Representatives
U.S. Capitol, Room H-232
Washington, D.C. 20515

Hon. Harry Reid
Majority Leader
U.S. Senate
U.S. Capitol, Room S-221
Washington, D.C. 20515

Hon. Nancy Pelosi
Minority Leader
U.S. House of Representatives
U.S. Capitol, Room H-204
Washington, D.C. 20515

Hon. Mitch McConnell
Minority Leader
U.S. Senate
U.S. Capitol, Room S-230
Washington, D.C. 20515

RE: Repeal of the Medicare Sustainable Growth Rate Formula

Dear Speaker Boehner, Leader Pelosi, Leader Reid, and Leader McConnell:

On behalf of the 110,600 members of the American Academy of Family Physicians (AAFP), thank you for the substantial bipartisan and bicameral work that the 113th Congress has done so far toward repealing the flawed Medicare Sustainable Growth Rate (SGR) formula and replacing it with a payment system that rewards value and quality care. The AAFP greatly appreciates the tremendous efforts of legislators and staff that have brought repeal closer to reality than ever before. Now that all three committees of jurisdiction have approved bipartisan bills repealing the SGR, the AAFP urges Congress to finish this important work during the coming weeks and stands ready to help support the process.

Congress has spent over \$150 billion on 16 temporary patches for the SGR formula since 2002. While the AAFP greatly appreciates these necessary actions, a patchwork quilt of temporary fixes to avoid the ever-growing SGR cuts has given rise to an unpredictable business environment for family medicine practices, and anxiety for Medicare patients. Meanwhile, Medicare remains locked in a system that pays according to volume of services rather than quality.

Now that the Congressional Budget Office has estimated the cost of repeal at \$116.5 billion—down from \$245 billion in 2012—Congress has a rare opportunity not only to get rid of SGR once and for all, but also to enact bipartisan reforms that will support physicians who improve

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their delivery of care. We note in particular the importance of including incentives for alternative payment models like the patient centered medical home. Medicare cannot continue to limp along in 3-to-12 month increments in its payment system, nor can it continue to reward volume rather than quality.

As you plan out the Congressional agenda for the first part of 2014, the AAFP stands ready to continue working with you to seize the opportunity to complete the work begun by the committees. If the AAFP can be of assistance, please do not hesitate to contact Kevin Burke (kburke@aafp.org), Director of Government Relations.

Sincerely,

A handwritten signature in black ink, appearing to be 'JC', with a long horizontal flourish extending to the right.

Jeffrey J. Cain, MD, FAAFP
Board Chair

Cc: Hon. Max Baucus, U.S. Senate Committee on Finance
Hon. Orrin Hatch, U.S. Senate Committee on Finance
Hon. Dave Camp, House Committee on Ways and Means
Hon. Sander Levin, House Committee on Ways and Means
Hon. Fred Upton, House Committee on Energy and Commerce
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