

October 3, 2011

Joint Select Committee on Deficit Reduction
The Honorable Jeb Hensarling, Co-Chair
The Honorable Patty Murray, Co-Chair

Members:

The Honorable Xavier Becerra
The Honorable Dave Camp
The Honorable James E. Clyburn
The Honorable Fred Upton
The Honorable Chris Van Hollen
The Honorable Max Baucus
The Honorable Jon Kyl
The Honorable John Kerry
The Honorable Rob Portman
The Honorable Pat Toomey

Dear Co-Chairs and Members:

The undersigned organizations appreciate your service on the Joint Select Committee on Deficit Reduction, and strongly urge you to protect Medicare beneficiary access to health care services by protecting existing Medicare financing for Graduate Medical Education (GME). We recognize the need to take action to ensure the long-term fiscal stability of our nation. However, we are gravely concerned that reductions in Medicare's existing support for GME potentially worsen an already problematic national physician workforce shortage.

As you work toward an agreement to reduce the nation's deficit, we urge you to consider the long-term impact of cutting Medicare's investment in physician training versus the short-term "savings" that may be obtained. The Association of American Medical Colleges (AAMC) and others project a shortage of 91,500 physicians by 2020; by 2025 the shortage will grow to 130,600 physicians. New and existing medical schools have taken the first step in addressing the shortage by expanding the number of medical students enrolled in their respective institutions. This contributes to a larger pool of future physicians, but is only the first step.

The next step is to assure a sufficient number of residency training programs. Unfortunately, Medicare's current cap on financial support for GME prevents teaching hospitals from expanding the number of training positions and often prevents new hospitals from establishing teaching programs. Now is the time for our nation to invest in physician training programs, not reduce them. Cuts to Medicare GME financing likely will exacerbate the physician shortage at a time when we have an estimated 10,000 seniors entering the Medicare program each day and one in every three practicing physicians retiring by 2020. Ensuring access for Medicare beneficiaries requires long-term and rational physician payment reforms, as well as an adequate supply of physicians to care for an aging nation.

We understand that everyone must do their part to reduce costs, but funding for physician training has been disproportionately targeted, in our opinion, at a time of unprecedented need. This greatly imperils the current work of medical schools, teaching hospitals, and other training sites to improve the way they teach and train residents and implement new delivery and training models that reduce costs and improve outcomes.

America is home to the world's best physicians, nurses, and other health care professionals. This reflects, in large part, the quality of our medical schools, teaching hospitals, and training programs. The physician community supports efforts to improve our nation's health care system and we are working to improve the quality and efficiency of the care we provide. Medicare GME cuts that jeopardize physician training and limit critical services are a step in the wrong direction. Reducing our national deficit is important, but threatening access to care for millions of current and future patients is not the appropriate mechanism to achieve true savings.

We look forward to working together to support the training of future physicians and the health care system they serve.

Sincerely,

American Academy of Dermatology Association
American Academy of Family Physicians
American Academy of Ophthalmology
American Academy of Otolaryngology—Head and Neck Surgery
American Association of Clinical Endocrinologists
American Association of Colleges of Osteopathic Medicine
American Association of Neurological Surgeons
American College of Cardiology
American College of Osteopathic Family Physicians
American College of Osteopathic Surgeons
American College of Physicians
American College of Surgeons
American Congress of Obstetricians and Gynecologists
American Hospital Association
American Medical Association
American Osteopathic Academy of Orthopedics
American Osteopathic Association
American Psychiatric Association
American Society of Colon and Rectal Surgeons
American Society of Plastic Surgeons
American Urological Association
Association of American Medical Colleges
Association of Departments of Family Medicine
Association of Family Medicine Residency Directors
Association of Minority Health Professions Schools
Catholic Health Association of the United States

Joint Select Committee on Deficit Reduction
October 3, 2011
Page 3 of 3

Congress of Neurological Surgeons
Federation of American Hospitals
Medical Group Management Association
National AHEC Organization
National Association of Children's Hospitals
National Association of Public Hospitals and Health Systems
North American Primary Care Research Group
Premier, Inc.
Society of Gynecologic Oncology
Society of Hospital Medicine
Society of Neurological Surgeons
Society of Teachers of Family Medicine
Society for Vascular Surgery
VHA Inc.