

TO: Super Committee members, House and Senate Leadership

In a few weeks, current law requires Medicare physician payments to be slashed by over 27 percent because of the flawed sustainable growth rate (SGR) update formula. The undersigned national medical specialty organizations and state medical societies are writing once again to urge the Joint Select Committee on Deficit Reduction to include a repeal of the SGR in the legislation that it is required to report by November 23, 2011.

The uncertainty and instability that the annual threat of SGR-induced payment cuts cause for physician practices can not be overstated. Congress has stepped in 12 times over the past decade to stop pending cuts; Congress had to take action five times to stop the 2010 cut alone. At the same time, physicians are being required by Medicare legislation passed by Congress to make significant changes to their practices that involve both financial investments and a series of workflow changes that affect their productivity.

With cuts of this magnitude pending, Congress should not wait until the 11<sup>th</sup> hour to take action. The Select Committee is the proper venue for the hard choices and honest budgeting needed to repeal the SGR and eliminate the shortfall in Medicare funding that grows worse each time Congress takes short-term actions to stop imminent cuts. And, with the 2011 calendar running out, no other pathway toward real SGR reform is evident.

To stabilize stressed physician practices, assure that Medicare and TRICARE patients maintain their choice of physician, and take the fiscally responsible course, we are asking you to repeal the SGR now and enable the transition to payment and care delivery innovations that will promote high quality, well coordinated, cost effective care.