

**For Immediate Release: August 8, 2011**  
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## **McDermott's Statement on CMS Lawsuit**

WASHINGTON, DC – Congressman Jim McDermott (D-WA), who is a physician as well as a senior member of the House Ways and Means Committee, issued the below statement after the Center for Primary Care filed a lawsuit against Centers for Medicare & Medicaid Services (CMS) in U.S. District Court in Maryland today. The lawsuit seeks to bar CMS from using the recommendations from a panel of the American Medical Association (AMA) when determining physician reimbursement rates. McDermott is *leading the effort* ([http://mcdermott.house.gov/index.php?option=com\\_content&view=article&id=413:mcdermott-bill-family-doctor-for-every-family&catid=25:press-releases&Itemid=20](http://mcdermott.house.gov/index.php?option=com_content&view=article&id=413:mcdermott-bill-family-doctor-for-every-family&catid=25:press-releases&Itemid=20)) in Congress to improve care and save money by improving the reimbursement rates for primary doctors. Congressman McDermott considers the AMA panel's recommendations to be heavily biased towards specialists and standing in the way of preventive care and lower costs.

**“The 2010 health care law will enable more than 30 million more people to get health care insurance over the next few years, and they'll all need primary care doctors. Primary care doctors are the key to early interventions and holding down costs, but we don't have enough of them now and we're about to need a lot more of them. Unfortunately, too many medical school students are choosing to become specialists because CMS pays specialists much more than primary care doctors. The distorted Medicare reimbursement rates causing this problem are created by an AMA panel called the Relative Value Scale Update Committee (RUC), which CMS largely relies on in setting Medicare's reimbursement rates.**

**“Over the past 20 years, we have watched the RUC distort Medicare's, and therefore the whole country's, physician-payment system. When Congress changed Medicare's physician-payment system in 1992, it wanted to put primary care on an equal footing with specialty care – not only to improve the quality of care, but also to bring down our crushing national health care costs. Regrettably, because CMS relies so heavily on the specialist-driven RUC, the opposite has taken place.**

**“I've introduced legislation ([H.R. 1256](#)) ([http://mcdermott.house.gov/index.php?option=com\\_content&view=article&id=413:mcdermott-bill-family-doctor-for-every-family&catid=25:press-releases&Itemid=20](http://mcdermott.house.gov/index.php?option=com_content&view=article&id=413:mcdermott-bill-family-doctor-for-every-family&catid=25:press-releases&Itemid=20)) that would require CMS to take into account the input of neutral third-party analysts, in addition to the RUC, when setting reimbursement rates. The Center for Primary Care's lawsuit now brings to light another important point – that reliance on the RUC is not only bad policy, it may also be a violation of federal law.**

**“CMS must do its rate-setting job in the public interest and not in the interest of powerful physician specialties – more transparency and fairness would be good for the health of Americans as well as our federal budget. It is for this reason that I support all efforts – whether legislative or judicial – to restore fairness in physician payments and rebalance the physician workforce in the United States.”**

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