

**Doc Caucus calls for SGR Reform  
February 9, 2012**

Rep. Bill Cassidy, M.D. (R-LA)  
Rep. Phil Gingrey, M.D. (R-GA)  
Rep. Tim Murphy, M.D. (R-PA)  
Rep. Nan Hayworth, M.D. (R-NY)  
Rep. Tom Price, M.D. (R-GA)  
Rep. Renee Ellmers, R.N. (R-NC)  
Rep. Charles Boustany Jr., M.D. (R-LA)  
Rep. Phil Roe, M.D. (R-TN)  
Rep. Michael C. Burgess, M.D. (R-TX)  
Rep. John Fleming, M.D. (R-LA)  
Rep. Paul Broun, M.D. (R-GA)  
Rep. Andy Harris, M.D. (R-MD)  
Rep. Paul Gosar, D.D.S. (R-AZ)  
Rep. Joe Heck, D.O. (R-NV)  
Rep. Diane Black, R.N. (R-TN)  
Rep. Ann Marie Buerkle, R.N. (R-NY)  
Rep. Mike Simpson, D.D.S. (R-ID)  
Rep. Dan Benishek, M.D. (R-MI)  
Rep. Larry Bucshon, M.D. (R-IN)  
Rep. Scott DesJarlais, M.D. (R-TN)

As members of the Doc Caucus, we understand that one of the goals of health care reform is increasing patient access to high-quality affordable care. As Members of Congress, we know that a significant impediment in reaching this goal for Medicare patients is the flawed Sustainable Growth Rate (SGR) formula for physician reimbursement.

The SGR was created in 1997 because of concern that the existing Medicare fee schedule would not control spending for physicians providing Medicare services. Beginning in 2002, physician spending exceeded the growth rate formula and the situation has continued to worsen every year since then. Medicare already fails to reimburse providers for the full cost of treating patients. If Congress allows this pattern to continue, it will worsen the situation and force many providers to stop treating Medicare patients. Worse, SGR makes no distinction among primary care doctors or specialties when calculating the rate, which further jeopardizes seniors' access to providers. The SGR formula is yet another failed formula that must be addressed. Rather than encouraging high quality care, this jeopardizes patient access. A May 2010 survey indicated that 17 percent of physicians are restricting the number of Medicare patients they see; 60 percent are considering opting out of Medicare altogether.

According to the Congressional Budget Office, the current formula would result in a 27.4 percent physician payment cut. Congress is not unaware of the problem or of its direct impact

on patient care. In the past decade, Congress has stopped SGR spending cuts 15 times. Unfortunately, Congress has never repealed the Sustainable Growth Rate, instead opting for short-term patches. This policy has only exacerbated the situation. If the SGR formula is not repealed and replaced today, the cost doubles, increasing from \$300 billion to \$600 billion in only 5 years. As our nation continues to face an out-of-control deficit, it is irresponsible for Congress to continue ignoring a major driver of indebtedness.

Reaching consensus is not always easy and more often than not there are varied disagreements on what truly requires immediate action. However, this year, one of the few areas of true bipartisan agreement is the importance of enabling access to quality patient care by repealing and replacing Medicare's Sustainable Growth Rate. Congressional leaders must look beyond the rhetoric and examine the real options to repeal and replace this flawed policy as soon as possible.

The Medicare shortfall grows worse every year it is left unaddressed. For nearly a decade Congress has failed to act and Medicare patients have suffered the consequences. Now more than ever, Congress must embark upon a clear path towards comprehensive reform of Medicare and permanently repeal the SGR.

*Since its formation in March 2009, the GOP Doctors Caucus continues to play an effective role in protesting the largest overhaul of our nation's health care system in history. Created by Dr. Phil Gingrey, M.D. (R-GA) and Dr. Tim Murphy, Ph.D (R-PA), the Caucus is composed of 21 medical providers in Congress who work to develop patient centered, patient driven healthcare reforms focused on quality, access, affordability, portability, and choice.*