

Physicians Tell Congress: December is Too Late, Repeal Medicare Physician Payment Formula Now to Stop Drastic Cut

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Washington – With a 27 percent Medicare cut set to hit physicians on January 1, the American Medical Association (AMA) and 112 state and national specialty medical societies today sent a [letter](http://www.ama-assn.org/resources/doc/washington/sgr-supercommittee-sign-on-letter-hensarling.pdf) (<http://www.ama-assn.org/resources/doc/washington/sgr-supercommittee-sign-on-letter-hensarling.pdf>) [urging](http://www.ama-assn.org/resources/doc/washington/sgr-supercommittee-sign-on-letter-murray.pdf) (<http://www.ama-assn.org/resources/doc/washington/sgr-supercommittee-sign-on-letter-murray.pdf>) Congress not to wait until the last minute to stop this devastating cut. The scheduled cut is caused by the broken Medicare physician payment formula. Recently, more than 115 bipartisan members of Congress signed a letter calling on the Joint Select Committee on Deficit Reduction to repeal this failed formula in their recommendation to Congress this month.

“Congress regularly plays a dangerous game with the health care programs that serve our nation’s seniors and military families, waiting until the last minute to stop massive cuts that would jeopardize access to care for patients,” said AMA President Peter W. Carmel, M.D. “The 12 short-term patches Congress has put in place over the past decade are procrastination, not a solution – they only grow the size of the cut and increase the cost to taxpayers.”

The cost of permanent repeal of the Medicare physician payment formula has [grown dramatically](http://www.ama-assn.org/resources/doc/washington/escalating-costs-of-reform.pdf) (<http://www.ama-assn.org/resources/doc/washington/escalating-costs-of-reform.pdf>) due to Congress' frequent short-term patches. As recently as 2005 the cost of permanent repeal would have been \$48 billion. If Congress continues to implement the same temporary patches they have in the past, the [cost will escalate](http://www.ama-assn.org/resources/doc/washington/sgr-reform-delay-means-higher-costs.pdf) (<http://www.ama-assn.org/resources/doc/washington/sgr-reform-delay-means-higher-costs.pdf>) to \$600 billion in only five years.

“The Joint Select Committee on Deficit Reduction offers a chance this month to take the fiscally responsible course and stop the cycle of scheduled cuts and frequent short-term patches,” said Dr. Carmel. “The deficit committee must include repeal of the formula in their recommendation to Congress to protect access to care for patients, stabilize the Medicare program and stop the growth in cost for taxpayers.”

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About the American Medical Association (AMA)

The American Medical Association helps doctors help patients by uniting physicians nationwide to work on the most important professional, public health and health policy issues. The nation’s largest physician organization plays a leading role in shaping the future of medicine. For more information on the AMA, please visit www.ama-assn.org.