

FOR IMMEDIATE RELEASE

July 18, 2013

CONTACT: Press Office
(202) 226-4972 (Republicans)
(202) 225-3641 (Democrats)

Committee Releases Updated Draft Proposal for Medicare Physician Payment Reform

Subcommittee on Health Will Hold Markup Beginning Monday, July 22

WASHINGTON, DC –House Energy and Commerce Committee leaders today released an [updated advanced legislative framework](http://docs.house.gov/meetings/IF/IF14/20130722/101205/BILLS-113DiscussionDraftpih-DiscussionDraft.pdf) (<http://docs.house.gov/meetings/IF/IF14/20130722/101205/BILLS-113DiscussionDraftpih-DiscussionDraft.pdf>) to replace the current Sustainable Growth Rate (SGR) system with a fair and stable system of physician payment in the Medicare program. The draft legislation is the result of a careful and bipartisan process that sought and considered feedback from both lawmakers and stakeholder organizations. This draft legislation is the latest step in the transparent process to reform the system and reward providers for delivering high-quality, efficient health care. The Subcommittee on Health has announced a [markup](http://energycommerce.house.gov/markup/markup-committee-print-amend-title-xviii-social-security-act-reform-sustainable-growth-rate) (<http://energycommerce.house.gov/markup/markup-committee-print-amend-title-xviii-social-security-act-reform-sustainable-growth-rate>) for next week on the draft legislation, which is authored by Health Subcommittee Vice Chairman Michael C. Burgess, M.D. (R-TX), Rep. Frank Pallone, Jr. (D-NJ), Full Committee Chairman Fred Upton (R-MI), Full Committee Ranking Member Henry A. Waxman (D-CA), Health Subcommittee Chairman Joe Pitts (R-PA), and Rep. John Dingell (D-MI).

The draft legislation unveiled today incorporates feedback received from a broad range of bipartisan lawmakers and over 80 stakeholder organizations, representing ideas of committee Republicans and Democrats. The policy would get rid of the SGR for an improved fee for service system in which providers report quality measures that will lead to better care in a more efficient manner. Better quality care will lead to better outcomes and put a greater emphasis on efficiency which can lead to cost savings. In addition, providers will have the option of leaving the fee for service system and opt instead for new ways of delivering care that put an even greater emphasis on quality and efficient care, particularly those that can mean more time with patients and more savings to the system.

“We are pleased to announce a significant, bipartisan milestone in our effort to fix the broken SGR system. We remain steadfast in our goals for reform: a fair system for our seniors and their doctors that provides the highest quality of care; bipartisan support, achieved through a transparent, deliberative process; and paid for in a fiscally responsible manner,” said Full Committee Chairman Fred Upton (R-MI) and Health Subcommittee Chairman Joe Pitts (R-PA). “We continue to collaborate closely with the Ways and Means Committee as we build on our progress of the last two years. As we approach next week’s subcommittee markup, we continue to welcome feedback from all stakeholders. We have much work to do and will not be satisfied until we have a permanent and responsible SGR fix in place.”

“I’m pleased to be part of this bipartisan effort to reform the Medicare physician payment system and replace the SGR system that has resulted in the specter of large unsustainable cuts in physician payment every year, frustrating Medicare physicians and beneficiaries alike. We know

this legislation is a work in progress,” said Full Committee Ranking Member Henry A. Waxman (D-CA). “While we all agree on the problem, getting the right solution is complicated and necessarily complex. We want to move our payment system to one that rewards quality and efficiency and improves patient outcomes. We want to build on the reform efforts underway. This is a first step and an important one. It undoubtedly can and will be improved as we move through the legislative process, but I believe we already have a stronger product because of our joint effort. This is a process that has to start—we can’t accept the current system any longer. We have bipartisan agreement on that, and I believe that commitment to working together will serve us well.”

“After over 10 years of patches and last minute rescues the “Doc fix” is closer than ever to becoming a relic of the past,” said Health Subcommittee Vice Chairman Michael C. Burgess, M.D. (R-TX). “The Sustainable Growth Rate formula has been problematic for decades, and now the Subcommittee on Health stands poised to provide a full repeal of SGR and replacing it with a predictable sustainable schedule of updates and a simplification of the reporting of quality measures.”

“For years, Congress has kicked the can down the road on short term fixes to a long term problem,” said Rep. Frank Pallone, Jr. (D-NJ). “This approach is unsustainable, and I’m pleased with the months of bipartisan and constructive conversations that has resulted in an important step to ensure certainty for doctors and patients in Medicare. It is critical that we drive quality and value rather than volume into Medicare, and I look forward to working with my colleagues on both sides of the aisle as we continue to improve this legislation.”

“I am very pleased to join my colleagues on the House Committee on Energy and Commerce to support a bipartisan approach to repealing and replacing the Sustainable Growth Rate,” said Rep. John Dingell (D-MI). “This is long overdue. Congress has kicked the can down the road on this problem for far too long, and now is the time for action. I am encouraged by and thankful for the patience and understanding shown by all stakeholders as we work to improve the quality of care for our seniors. I look forward to continued bipartisan progress on this important issue so we can promptly get a bill on the President’s desk for his signature.”

NOTE: To read more about the committee’s work in this effort, [click here](http://energycommerce.house.gov/press-release/transparent-medicare-physician-payment-reform-process-gains-momentum-committee-releases-advanced-legislative-framework).
(<http://energycommerce.house.gov/press-release/transparent-medicare-physician-payment-reform-process-gains-momentum-committee-releases-advanced-legislative-framework>)

More information on next week’s Health Subcommittee markup [here](http://energycommerce.house.gov/markup/markup-committee-print-amend-title-xviii-social-security-act-reform-sustainable-growth-rate).
(<http://energycommerce.house.gov/markup/markup-committee-print-amend-title-xviii-social-security-act-reform-sustainable-growth-rate>)

###