

**AMA STATEMENT IN OPPOSITION TO MEDPAC'S PROPOSED PHYSICIAN
PAYMENT CUTS**

Statement attributable to: Peter W. Carmel, M.D.
President, American Medical Association

“The AMA strongly opposes the Medicare physician payment recommendation voted on today by MedPAC. The commission joins many groups who have put forth [proposals](http://www.ama-assn.org/resources/doc/washington/sgr-budget-proposal-quotes.pdf) (www.ama-assn.org/resources/doc/washington/sgr-budget-proposal-quotes.pdf) to repeal the broken Medicare physician payment formula. However, offsetting part of the cost of repeal through drastic cuts and long-term freezes to physicians falls far short of what is needed to preserve patients' access to care.

“The recommendation voted on today by MedPAC flies in the face of their previous recommendations to stop harmful physician cuts that threaten access to care for patients. There is already a 20 percent [gap](http://www.ama-assn.org/resources/doc/washington/nac-gap-chart.pdf) (www.ama-assn.org/resources/doc/washington/nac-gap-chart.pdf) between Medicare payment updates and the cost of providing health care to seniors. Many physicians may also face upcoming payment penalties related to electronic prescribing, health information technology and quality reporting programs. Adding additional physician payment cuts to this mix will leave many physicians unable to care for Medicare patients or make the investments needed to participate in new models of care that can increase coordination and reduce costs.

“The failed Medicare physician payment formula was created by Congress and the cost of repeal has [increased](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>) over time due to the budget gimmicks they used to finance frequent short-term fixes. Congress must act now to permanently repeal the formula and stabilize the Medicare system for patients and physicians.”

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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.