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Statement by HLC President Mary R. Grealy on the Bipartisan, Bicameral Framework to Reform the Medicare Physician Payment System

We applaud the leadership of the Senate Finance and House Ways and Means Committees for developing a plan to replace the flawed Medicare Sustainable Growth Rate (SGR) physician payment system with a new framework designed to reward exceptional quality in healthcare delivery, incentivize care coordination to better treat chronic illnesses, and utilize data to advance improved systemwide performance.

Following the work on this issue by the House Energy and Commerce Committee this summer, this bipartisan approach moves us closer to a payment system that will yield improved health outcomes and greater cost-effectiveness.

It becomes more apparent with each passing year that the Sustainable Growth Rate structure is anything but sustainable. It is unacceptable to ask healthcare providers to stand by and wait each year to see if they will have to absorb a devastating payment cut, and to see the magnitude of that potential cut increase with each temporary fix. The framework outlined by the committee leaders is fiscally responsible and is good for both patients and providers.

Healthcare leaders from all sectors have been working for some time now to advance a healthcare system that focuses on value instead of volume. A Medicare physician payment measure that moves so boldly in this direction is truly a welcome development.

In fashioning the details of this package, we encourage Senate and House leaders to collect the ideas and examples of those on the front lines of healthcare delivery who are making significant progress in care coordination and data-driven medicine. We look forward to working with lawmakers on this important and necessary objective.

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