

March 4, 2010

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

Subject: Medicare Physician Payment System and Private Contracting

Dear Senators Reid and McConnell:

For nearly a year, the Coalition of State Medical and National Specialty Societies, representing more than 70,000 physicians, has expressed deep concern with the country's broken and unsustainable medical payment system. Congress' failure to adopt a permanent solution to prevent draconian cuts in Medicare payments to physicians affirms our concerns. Clearly, the current system is not financially sustainable. To help stabilize the Medicare system and ensure that seniors have timely access to care by the physician of their choice, **we urge you to repeal the Sustainable Growth Rate and replace it with a new payment system that allows patients and physicians to privately contract without penalty.**

The right to privately contract is a touchstone of American freedom and liberty and all patients should have the right to choose their doctor and negotiate the fees for those services without penalty. Medicare patients should not be required to forego the value of their Medicare insurance benefit because they privately contract with the physician of their choice; nor should physicians who privately contract with Medicare patients be required to opt-out of Medicare altogether for two years. Furthermore, in some instances, under current law it is actually illegal for a physician to waive or reduce his or her fee. By allowing patients to privately contract with their physicians, patients will have access to a greater number of physicians. In addition, Congress can obtain budget certainty by establishing payment rates and giving physicians and patients the freedom to privately contract for any difference.

In closing, we believe that empowering patients and physicians with the right to privately contract is both an optimum and sustainable solution when it comes to the Medicare funding crisis. Please contact David Cook, Executive Director of the Medical Association of Georgia (dcook@mag.org 678-303-9251), if you have questions, need additional information or would like to discuss this concept in greater detail with the members of our coalition.

Thank you for considering our request.

Sincerely,

Medical Association of the State of Alabama
Medical Society of the District of Columbia
Florida Medical Association

Medical Association of Georgia
Kansas Medical Society
Medical Society of New Jersey
South Carolina Medical Association
American Academy of Facial Plastic and Reconstructive Surgery
American Association of Neurological Surgeons
American Society of General Surgeons
Congress of Neurological Surgeons

Daniel H. Johnson, Jr., MD
AMA President 1996-1997

Donald J. Palmisano, MD, JD, FACS
AMA President 2003-2004

William G. Plested, III, MD, FACS
AMA President 2006-2007

cc: Members, United States Senate