



*Sound Policy. Quality Care.*

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January 21, 2014

The Honorable Harry Reid  
Senate Majority Leader

The Honorable Mitch McConnell  
Senate Minority Leader

The Honorable John Boehner  
Speaker of the House

The Honorable Eric Cantor  
House Majority Leader

The Honorable Nancy Pelosi  
House Minority Leader

The Honorable Steny Hoyer  
Democratic Whip

Dear Leader Reid, Leader McConnell, Speaker Boehner, Leader Cantor, Leader Pelosi, and Whip Hoyer:

On behalf of the Alliance of Specialty Medicine (the Alliance), a coalition of medical specialty societies representing more than 100,000 physicians and surgeons, we are writing to strongly urge Congress to enact a permanent and meaningful solution to the flawed Sustainable Growth Rate (SGR) formula. An SGR replacement should base physician reimbursements on the actual cost of providing care and allow physicians to make investments in meaningful and relevant care delivery models that aim to improve quality and efficiency and foster patient access to the physician of their choice.

While we are encouraged that the process to repeal the SGR is moving through Congress, not a single proposal fully captures the principles that the Alliance believes are critical to physician payment reform. These include:

- **Positive updates:** Repeal of the SGR must include a minimum 5-year period of stability during which base payments to physicians capture the true cost of treating patients. This should include positive financial incentives for higher quality, more efficient care rather than arbitrary penalties and withholds.
- **Recognition of multiple payment and delivery models, including fee-for-service (FFS):** Physicians must be given the opportunity to participate in a range of delivery and payment models that are meaningful to their practices and patient populations, including FFS.
- **Physician-led quality improvement:** The medical profession and its clinical subject matter experts must determine the most appropriate and clinically relevant quality improvement strategies for their practice types and patient populations.
- **Reward personal improvement:** A reformed payment system must not create a zero-sum game of “winners” and “losers” based on arbitrary

performance benchmarks that pit physicians against each other, but instead incentivize personal growth.

- **Legal protections for adherence to clinical guidelines and quality improvement program requirements:** New standards of care created by quality improvement programs must not be used in medical liability suits.
- **Repeal of the Independent Payment Advisory Board (IPAB).** Significant health care decisions must not be made by a group of unelected, unaccountable individuals with little or no clinical expertise or the oversight required to protect access to care for America's seniors.
- **Private Contracting:** Physician payment reform must allow for voluntary private contracting between physicians and Medicare beneficiaries.
- **Appropriate public reporting:** While patients deserve tools for informed medical decision-making, publicly reported data must not be expanded without first ensuring such data are truly indicative of physician quality and meaningful to consumers.

The Alliance looks forward to working with Congress to refine SGR legislation and working with you find a permanent and meaningful solution to the flawed physician payment system. We would be happy to discuss our concerns with you or answer any other questions, and can be reached at [info@specialtydocs.org](mailto:info@specialtydocs.org).

Sincerely,

American Academy of Facial Plastic & Reconstructive Surgery  
American Association of Neurological Surgeons  
American College of Mohs Surgery  
American Gastroenterological Association  
American Society of Cataract and Refractive Surgery  
American Society of Echocardiography  
American Society of Plastic Surgeons  
American Urological Association  
Coalition of State Rheumatology Organizations  
Congress of Neurological Surgeons  
North American Spine Society  
Society for Cardiovascular Angiography and Interventions  
Society for Excellence in Eyecare

Cc: Members of the United States Senate and U.S. House of Representatives