

Congress of the United States
Washington, DC 20515

October 6, 2011

Honorable Patty Murray
U.S. Senate
Washington, DC 20510

Honorable Max Baucus
U.S. Senate
Washington, DC 20510

Honorable John Kerry
U.S. Senate
Washington, DC 20510

Honorable Jon Kyl
U.S. Senate
Washington, DC 20510

Honorable Rob Portman
U.S. Senate
Washington, DC 20510

Honorable Patrick Toomey
U.S. Senate
Washington, DC 20510

Honorable Jeb Hensarling
U.S. House of Representatives
Washington, DC 20515

Honorable Dave Camp
U.S. House of Representatives
Washington, DC 20515

Honorable Fred Upton
U.S. House of Representatives
Washington, DC 20515

Honorable James Clyburn
U.S. House of Representatives
Washington, DC 20515

Honorable Chris Van Hollen
U.S. House of Representatives
Washington, DC 20515

Honorable Xavier Becerra
U.S. House of Representatives
Washington, DC 20515

Dear Colleagues:

On behalf of Medicare beneficiaries and taxpayers across the nation, we urge you to include a long-term solution to the broken Medicare physician payment system as an integral component of any deficit reduction proposal set forth by the Joint Select Committee on Deficit Reduction. For a decade, the fundamentally flawed Medicare physician payment system has created uncertainty and instability not only in the health care system but in the larger economy. Through this deficit reduction process, Congress has an historic opportunity to implement sound fiscal policy in the Medicare program in the context of broad economic reforms.

As you know, the Balanced Budget Act of 1997 created the sustainable growth rate formula (SGR) in an attempt to control spending in the Medicare program. For ten years, this methodology has consistently produced unrealistic expenditure targets, which subsequently trigger untenable reductions in payment rates. For far too long, we have buried the true cost of this failed policy through annual Congressional overrides of these scheduled cuts. Each of these short-term "fixes" have achieved the most important goal of averting an immediate crisis in

access to physicians for Medicare beneficiaries—while exacerbating a longer-term crisis in Medicare financing.

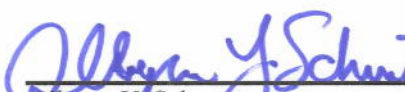
On January 1, 2012, physicians face a scheduled reduction in Medicare payments of nearly 30 percent. We are presented with an important choice: continue to distort the picture of our nation's fiscal status with another short-term solution or restore fiscal transparency to the Medicare program by eliminating the \$300 billion debt that has accumulated as a result of the SGR.


We urge you to include a full repeal of the SGR, to stabilize current payment rates to ensure beneficiary access in the near-term, and set out a clear path toward comprehensive payment reform. Failure to take advantage of this opportunity to permanently address the SGR means that the cost of a remedy over five years could double to nearly \$600 billion.


We join together to urge bipartisan Congressional action to put an end to the fiscal irresponsibility that has defined Medicare payment policies for a decade. True deficit reduction cannot be achieved without addressing the significant debt in our nation's largest health program. The sustainable growth rate must be repealed and replaced by a payment system that promotes efficiency, quality and value and ensures access to medical services for Medicare beneficiaries.

We appreciate your attention to this issue and look forward to working with you as you prepare your deficit reduction plan.

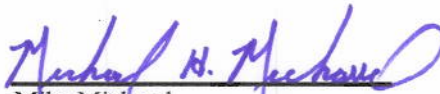
Sincerely,


Allyson Y. Schwartz
Member of Congress

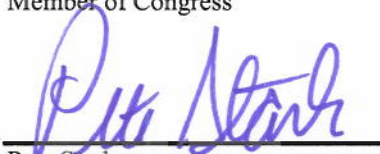

Lois Capps
Member of Congress

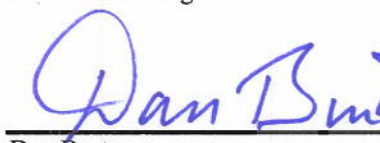

Donna Christensen
Member of Congress

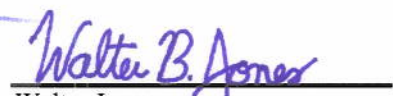

Henry Waxman
Member of Congress


Mike Michaud
Member of Congress


Marcia Fudge
Member of Congress

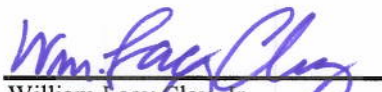

Pete Stark
Member of Congress


Dan Burton
Member of Congress

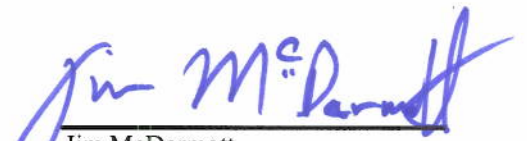

Walter B. Jones
Member of Congress



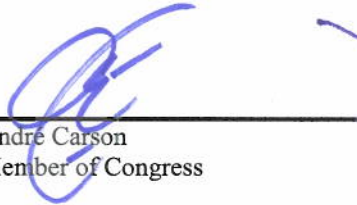
Sam Farr
Member of Congress



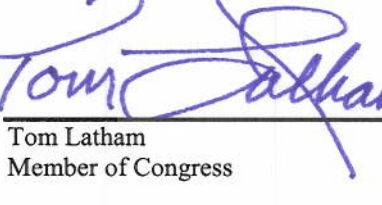
William Lacy Clay, Jr.
Member of Congress



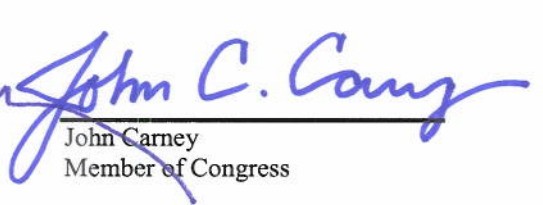
Jim McDermott
Member of Congress



Andre Carson
Member of Congress



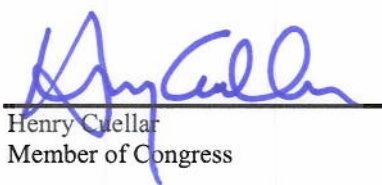
Tom Latham
Member of Congress



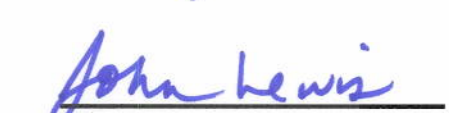
John Carney
Member of Congress



Barney Frank
Member of Congress



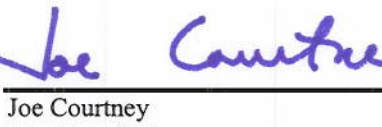
Henry Cuellar
Member of Congress



John Lewis
Member of Congress



Patrick Meehan
Member of Congress




Joe Courtney
Member of Congress



Phil Roe
Member of Congress



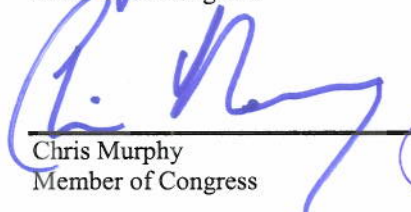
Danny K. Davis
Member of Congress



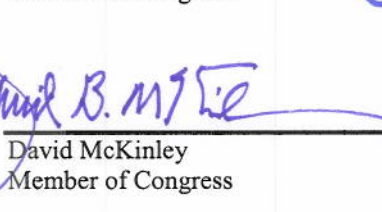
Lynn Woolsey
Member of Congress



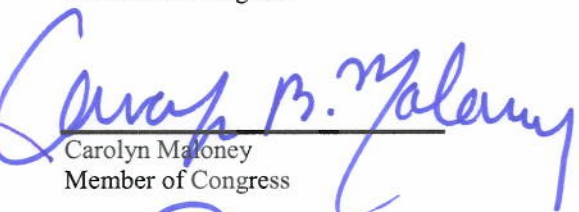
Mike Honda
Member of Congress



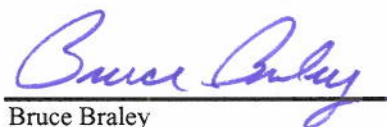
Chris Murphy
Member of Congress



David McKinley
Member of Congress



Carolyn Maloney
Member of Congress



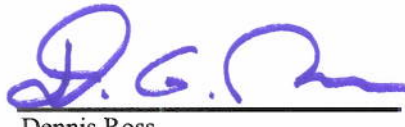
Bruce Braley
Member of Congress



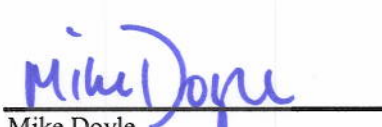
Bill Owens
Member of Congress



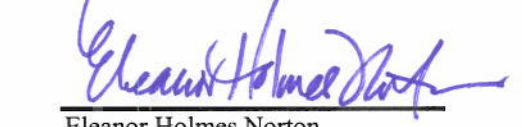
Edolphus Towns
Member of Congress



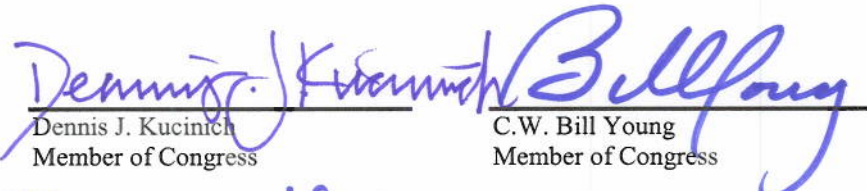
Dennis Ross
Member of Congress



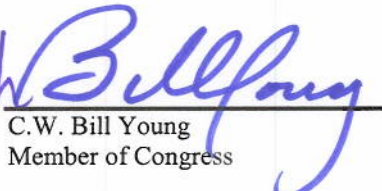
Mike Doyle
Member of Congress



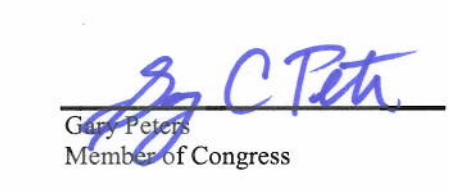
Eleanor Holmes Norton
Member of Congress



Dennis J. Kucinich
Member of Congress



C.W. Bill Young
Member of Congress



Gary Peters
Member of Congress



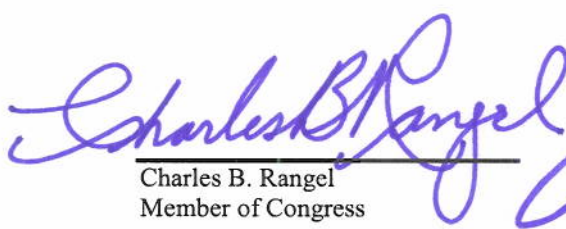
Steve Rothman
Member of Congress

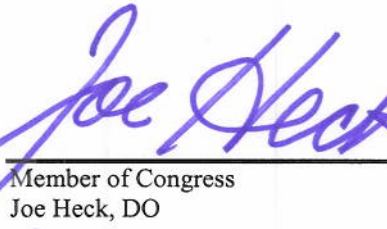


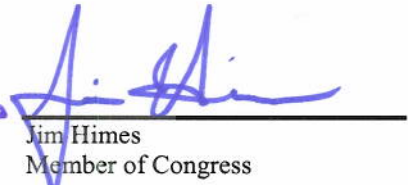
Bill Pascrell
Member of Congress



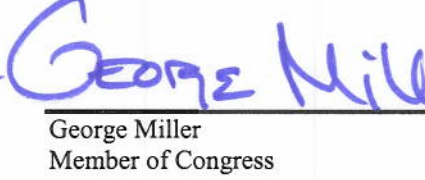
Vicky Hartzler
Member of Congress

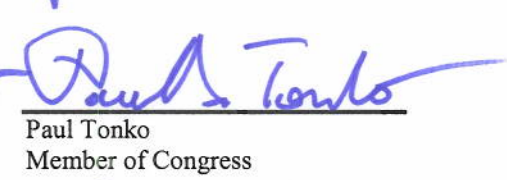

Charles B. Rangel
Member of Congress

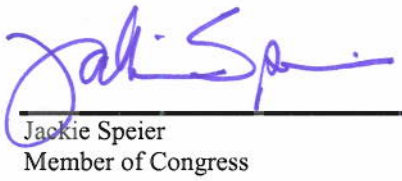

Member of Congress
Joe Heck, DO

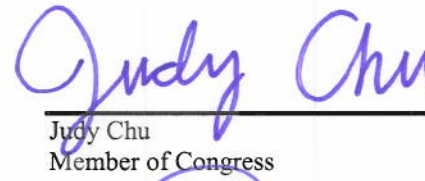

Jim Himes
Member of Congress

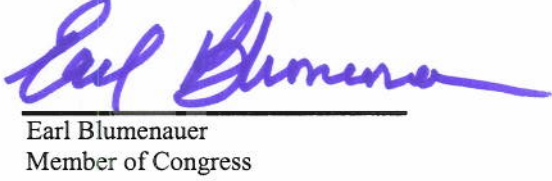

C.A. Dutch Ruppersberger
Member of Congress

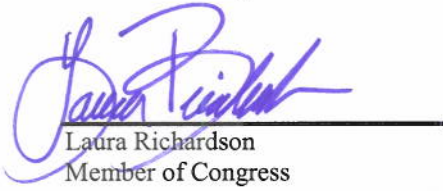

George Miller
Member of Congress

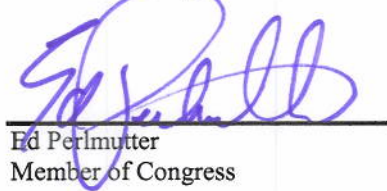

Paul Tonko
Member of Congress

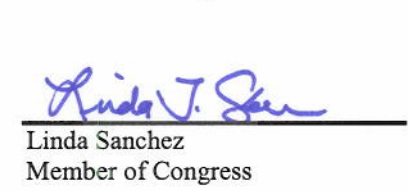

Jackie Speier
Member of Congress


Judy Chu
Member of Congress


Earl Blumenauer
Member of Congress

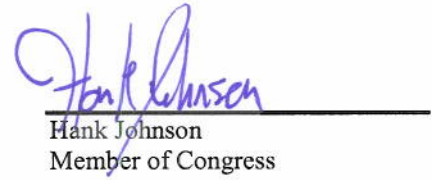

Laura Richardson
Member of Congress


Ed Perlmutter
Member of Congress

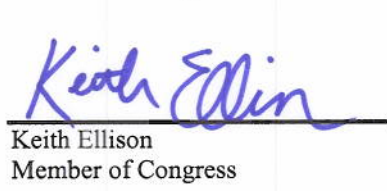

Linda Sanchez
Member of Congress

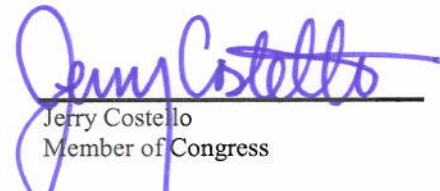

Mike Thompson
Member of Congress

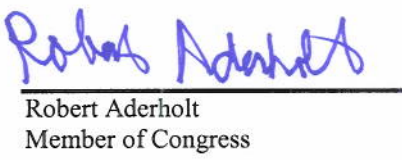

Karen Bass
Member of Congress

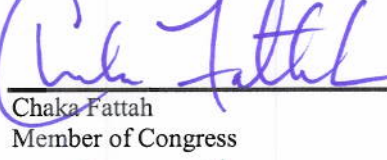

Hank Johnson
Member of Congress

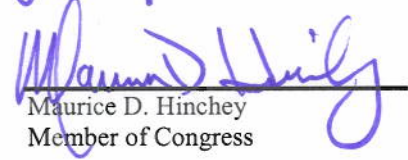

Elton Gallegly
Member of Congress

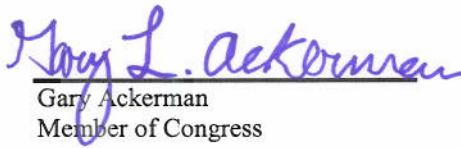

Keith Ellison
Member of Congress

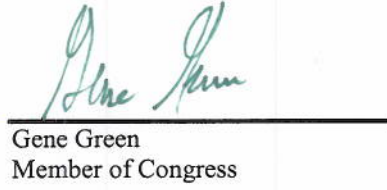

Jerry Costello
Member of Congress


Robert Aderholt
Member of Congress

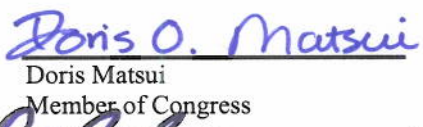

Chaka Fattah
Member of Congress

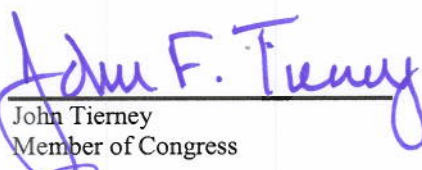

Maurice D. Hinchey
Member of Congress


Gary Ackerman
Member of Congress

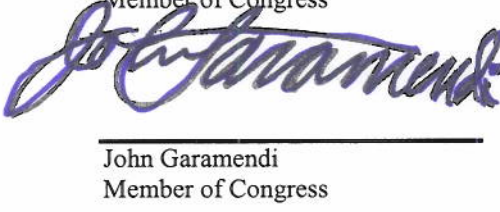

Gene Green
Member of Congress

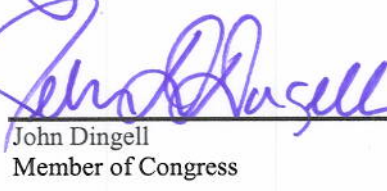

Tim Walz
Member of Congress

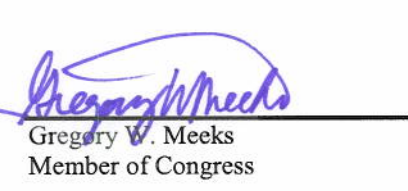

Doris Matsui
Member of Congress


John Tierney
Member of Congress


Elijah Cummings
Member of Congress


John Garamendi
Member of Congress


John Dingell
Member of Congress


Gregory W. Meeks
Member of Congress

John Conyers
John Conyers, Jr.
Member of Congress

Yvette D. Clarke
Yvette D. Clarke
Member of Congress

Chellie Pingree
Chellie Pingree
Member of Congress

Silvestre Reyes
Silvestre Reyes
Member of Congress

Brad Miller
Brad Miller
Member of Congress

Todd Akin
Todd Akin
Member of Congress

Reid Ribble
Reid Ribble
Member of Congress

Russ Carnahan
Russ Carnahan
Member of Congress

Lou Barletta
Lou Barletta
Member of Congress

Bob Filner
Bob Filner
Member of Congress

Peter Welch
Peter Welch
Member of Congress

Brian P. Bilbray
Brian Bilbray
Member of Congress

Nick Rahall
Nick Rahall
Member of Congress

Albio Sires
Albio Sires
Member of Congress

Mike Fitzpatrick
Mike Fitzpatrick
Member of Congress

Charlie Gonzalez
Charlie Gonzalez
Member of Congress

Ben Chandler
Ben Chandler
Member of Congress

Paul C. Broun, M.D.
Paul C. Broun, M.D.
Member of Congress

David Price
David Price
Member of Congress

Gerry Connolly
Gerry Connolly
Member of Congress

Jesse Jackson, Jr.
Jesse Jackson, Jr.
Member of Congress

Betty Sutton
Betty Sutton
Member of Congress

Frank Pallone, Jr.
Frank Pallone, Jr.
Member of Congress

Jan Schakowsky
Jan Schakowsky
Member of Congress

John Carter
John Carter
Member of Congress

Peter DeFazio
Peter DeFazio
Member of Congress

Tim Bishop
Tim Bishop
Member of Congress

Dennis Cardoza
Dennis Cardoza
Member of Congress

John Yarmuth
John Yarmuth
Member of Congress

Mark Critz
Mark Critz
Member of Congress

Kevin Yoder

Kevin Yoder
Member of Congress

Carolyn McCarthy

Carolyn McCarthy
Member of Congress

Marcy Kaptur

Marcy Kaptur
Member of Congress

Anna Eshoo

Anna Eshoo
Member of Congress

Don Young

Don Young
Member of Congress

Joseph Crowley

Joseph Crowley
Member of Congress

Ed Markey

Ed Markey
Member of Congress

Diana DeGette

Diana DeGette
Member of Congress

Howard L. Berman

Howard Berman
Member of Congress

Ruben Hinojosa

Ruben Hinojosa
Member of Congress

Richard E. Neal

Richard Neal
Member of Congress