



J. James Rohack, MD, President

March 4, 2010

The Honorable Harry Reid  
Majority Leader  
U.S. Senate  
S-221 Capitol Building  
Washington, DC 20510

The Honorable Mitch McConnell  
Republican Leader  
U.S. Senate  
S-230 Capitol Building  
Washington, DC 20510

Dear Majority Leader Reid and Senator McConnell:

On Tuesday, President Obama signed H.R. 4691, the "Temporary Extension Act of 2010," into law, postponing until April 1 the 21 percent Medicare physician payment cut that was scheduled to take effect this year. The American Medical Association (AMA) urges the Senate to use this time to establish a legislative pathway toward permanent repeal of the sustainable growth rate (SGR) formula that is producing these annual cuts and threatening the viability of the Medicare program.

The faults with the SGR formula and its implications for the future of the Medicare and TRICARE programs are well known. The impact of routine, short-term actions to address imminent cuts on the severity of future payment reductions and the costs of permanent reform are broadly understood. The growing gap between rising costs of medical practice and stagnant payment levels over the past decade and the consequences for patient access to care are evident.

The AMA cannot support proposals that aim to address only the most imminent threat to payments levels and patient access, with no regard for the future of the Medicare and TRICARE programs. We are opposed to further short-term patches of any duration.

It is time for Congress to finally stop this growing threat to Medicare and TRICARE and move immediately to repeal the SGR formula, replacing it with a system that ensures payments keep pace with the rising costs of the care Medicare beneficiaries and military families need and deserve.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Rohack". The signature is fluid and cursive, with a large initial "J" and "R".

J. James Rohack, MD

cc: United States Senate