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SHORT-TERM INTERVENTION WILL PROVIDE TEMPORARY REPRIEVE FOR SENIORS AND PHYSICIANS, BUT PERMANENT SOLUTION STILL NEEDED

Statement attributable to: J. James Rohack, M.D.
President, American Medical Association

“An intervention to delay a looming Medicare physician payment cut will provide temporary stability for seniors and their physicians, but the AMA is deeply disappointed that Congress will once again fail to permanently correct the Medicare physician payment formula that Republican and Democrat members of Congress, President Obama and policy experts have said should be repealed. Achieving full repeal of the payment formula is apparently not feasible at this time, and Congress could have permanently solved this problem five years ago at a cost of \$49 billion, less than the price of the short-term remedy now under consideration in Congress.

“Lawmakers must realize that the underlying policy problem will return larger than ever in 2014. Future Medicare cuts will severely undermine health system reform initiatives that aim to optimize the quality of patient care as physicians find they cannot afford to participate in Medicare. Cuts will also exacerbate the existing physician shortage, as physicians retire early or are forced to limit the number of Medicare patients they can treat – right as the baby boomers enter Medicare. Already, Medicare physician payment rates are about where they were in 2001, while medical practice costs have increased more than 20 percent.

“The pending Medicare proposal treats the symptoms – it’s not a cure for the disease. We urge Congress to take action well before the next deadline to cure this problem once and for all to preserve access to care for seniors and military families and enable the success of health system reform and delivery innovations.”

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