



Sound Policy. Quality Care.

November 22, 2011

Honorable Allyson W. Schwartz
1227 Longworth House Office Building
Washington, DC 20515

Dear Representative Schwartz:

The Alliance of Specialty Medicine (Alliance), a coalition of 11 medical specialty societies representing 100,000 physicians, applauds you for your leadership in providing a proposal outlining a permanent solution to repeal and replace the Sustainable Growth Rate (SGR) formula. Unfortunately, we have some serious concerns with your SGR proposal, which you recently submitted to the Joint Committee on Deficit Reduction. Our mission is to advocate for sound federal health care policy that fosters patient access to the highest quality specialty care, and we therefore stand ready to work with you to refine your SGR proposal to achieve these goals.

While we appreciate that your framework calls for stabilizing the payment system for the next five years, we strongly believe that it is imperative that *all* physicians are adequately reimbursed under Medicare. Physician shortages are looming in many specialties, not just primary care, and we fear that the payment differentials in your proposal will further exacerbate significant shortages of specialty physicians.

Additionally, we are concerned that the timetable for implementing new health care delivery and payment models is ambitious and we are skeptical that the Centers for Medicare and Medicaid Services (CMS) will develop a new payment system that supports appropriate access to specialty care. While CMS has taken the first steps toward implementing quality improvement payment programs, such as the Medicare Shared Savings Program (MSSP), it has yet to be demonstrated that these programs will lower Medicare costs and result in better patient outcomes. The focus of the MSSP is on the role of primary care physicians in providing care to Medicare beneficiaries, and although CMS acknowledges that specialists may have a role to play within the MSSP, ensuring access to specialists is not yet a key performance measurement. In addition, many specialties are not hospital-based and do not necessarily fit into the various models that have been proposed.

Finally, under your proposal, physicians who either choose not to or who are not able to participate (through no fault of their own) in one of the "best practice" delivery models would be severely penalized for not participating and remaining in fee-for-service. Further, these penalties would be in addition to other policies instituting penalties during the timeframe outlined in your proposal, including the value-based payment modifier, e-prescribing, meaningful use, and the Physician Quality Reporting System. We believe it is imperative to maintain a fee-for-service option, which may work best for many physicians and their patients, and penalties on top of penalties will only hamper, not enhance, the ability of physicians to transition to new health care delivery models.

We applaud you for being willing to outline a permanent solution to the SGR, but we hope that you will revise your current proposal to ensure that specialty care is not neglected. We look forward to

American Academy of Facial Plastic and Reconstructive Surgery • American Association of Neurological Surgeons
American Gastroenterological Association • American Society of Cataract & Refractive Surgery
American Society of Plastic Surgeons • American Urological Association
Coalition of State Rheumatology Organizations • Congress of Neurological Surgeons
Heart Rhythm Society • National Association of Spine Specialists • Society for Cardiovascular Angiography and Interventions

working with you and your staff over the coming months. If we may provide more information or answer any questions, please contact the Alliance at info@specialtydocs.org.

Sincerely,
American Academy of Facial Plastic and Reconstructive Surgery
American Association of Neurological Surgeons
American Society of Cataract and Refractive Surgery
American Urological Association
Coalition of State Rheumatology Organizations
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