

May 10, 2011

The Honorable Tom Price, M.D
U.S. House of Representatives
Washington, D.C. 20515

RE: Medicare Patient Empowerment Act

Dear Dr. Price:

The Coalition of State Medical and National Specialty Societies, which represents approximately 90,000 physicians and their patients, is writing to enthusiastically support H.R. 1700, the “Medicare Patient Empowerment Act” as introduced.

Medicare is the nation’s largest government-run health care program, and it represents the most glaring example of the need for change. The current sustainable growth rate (SGR) physician payment system, in particular, is failing to serve our nation’s seniors and physicians. Baby boomers are now entering the Medicare program, there is a shrinking pool of primary care and specialty physicians, and it is increasingly difficult for seniors and the disabled to find doctors who accept new Medicare patients as the gap between government-controlled payment rates and the cost of running a practice grows wider.

Our Coalition is therefore convinced that the key to preserving our Medicare patients’ access to quality medical care is overhauling the flawed Medicare payment system. An essential element of Medicare reform is allowing patients and physicians to voluntarily enter into arrangements known as private contracts. The right to privately contract for services is a touchstone of American freedom and liberty. Patients and physicians must be allowed to freely exercise this right without third party interference or penalty

Private contracting is one way that the federal government can achieve fiscal stability while fulfilling its promise to Medicare beneficiaries. A patient who chooses to see a physician outside the Medicare system should not be treated as if they don’t have insurance. Medicare should pay its fair share of the charge and allow the patient to pay the balance. It is also the only way to ensure that our patients can maintain control over their own medical decisions. The government has the right to determine what it will pay toward medical care, but it doesn’t have the right to determine the value of that medical care. This value determination should ultimately be made by the individual patient.

We support the Medicare Patient Empowerment Act because it would establish a new Medicare payment option whereby patients and physicians would be free to contract for medical care without penalty. It would allow these patients to apply their Medicare benefits to the physician of their choice and to contract for any amount not covered by Medicare. Physicians would be free to opt in or out of Medicare on a per-patient basis, while patients could pay for

The Honorable Tom Price, M.D
Medicare Patient Empowerment Act
May 10, 2011
Page 2 of 2

their care as they see fit and be reimbursed for an amount equal to that paid to “participating” Medicare physicians.

The day the Medicare Patient Empowerment Act becomes law, **every** physician will become accessible to **every** Medicare patient. Private contracting is a sustainable, patient-centered solution for the Medicare payment system that will ensure our patients have access to the medical care they need.

We thank you for introducing this critical legislation and we are prepared to assist you in any way we can to help ensure that this bill is passed during the 112th Congress. If you have any questions or need additional information please don’t hesitate to call Donald J. Palmisano, Jr., Executive Director of the Medical Association of Georgia at 678-303-9251, or Katie O. Orrico, Director of the Washington Office for the American Association of Neurological Surgeons at 202-446-2024.

Sincerely,

Medical Association of the State of Alabama
Arkansas Medical Society
Medical Society of Delaware
Medical Society of the District of Columbia
Florida Medical Association
Medical Association of Georgia
Kansas Medical Society
Louisiana State Medical Society
Mississippi State Medical Association
Medical Society of New Jersey
South Carolina Medical Association
Tennessee Medical Association
American Academy of Facial Plastic and Reconstructive Surgery
American Association of Neurological Surgeons
American Society of General Surgeons
Congress of Neurological Surgeons

Past Presidents of the American Medical Association

Daniel H. Johnson, Jr., MD
AMA President 1996-1997

Donald J. Palmisano, MD, JD, FACS
AMA President 2003-2004

William G. Plested, III, MD, FACS
AMA President 2006-2007

cc: Members, U.S. House of Representatives