

GETTING REFORM RIGHT

Dear Members of Congress,

We wholeheartedly support President Obama's call for healthcare reform, and agree with his position that "the status quo is the one option that is not on the table". We applaud the House and the Senate for their ongoing efforts to obtain universal coverage for all Americans.

The President challenged you and your colleagues to look to high quality efficient healthcare providers for ways to improve health care. Congress must encourage all U.S. physicians and hospitals to focus on quality, not quantity, and ultimately deliver better health for all Americans at lower cost.

We urge you to insist that reform legislation includes a method that pays for value and quality, rather than the quantity of medical procedures. Currently, Medicare pays the most to ten states that often provide poorer outcomes, safety, and service at higher cost, and much less to most of the country where providers demonstrate generally better outcomes, safety and service at lower cost. As healthcare providers, we believe that insertion of a measurement of value into the payment system is a critical step to change provider behavior throughout the country and "bend the cost curve" in U.S. health spending without compromising health.

The Medicare Payment Improvement Act (H.R. 2844, S. 1249) is a simple, yet bold, concept that inserts value into the Medicare physician payment schedule. We encourage you to talk to the bill's authors (Sen. Klobuchar and Rep. Kind), and co-sponsors, about how this concept builds value and outcomes into the payment structure without interfering with the doctor-patient relationship. We believe that this legislation is an important first step to a healthcare system where value, not volume, prevails, so that future healthcare expenditures do not expand the Federal budget deficit. For the long term, we are also encouraged by other ideas that move toward paying for value, including an independent agency that could develop value-based payment methodologies for Medicare.

'Pay for value' is the only tactic that will "bend the cost curve" in U.S. health spending

Under the current Medicare system, a majority of doctors and hospitals that care for Medicare patients are paid substantially less than it costs to treat them. Many providers are therefore already approaching a point where they can not afford to see Medicare patients. Expansion of a Medicare-type plan without a method to define, measure, and pay for healthy outcomes for patients will move many doctors and hospitals across this threshold, and ultimately hurt the patients who seek our care. We should not put more Americans into the current unsustainable system.

'Pay for value' is the only tactic that will "bend the cost curve" in U.S. health spending, improve the quality of care that our citizens deserve, and create a long and healthy future for both the American people and the American healthcare system.

Thank you for your leadership and commitment to health care reform.

Sincerely,

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