

April 27, 2009

The Honorable Harry Reid  
Majority Leader  
United States Senate  
522 Hart Senate Office Building  
Washington, DC 20510

Dear Majority Leader Reid:

As Congress prepares to draft legislation to reform our nation's health care system, the undersigned national physician organizations are writing to outline our common goals and strategies for improving health care delivery and making affordable, high-quality care available to all Americans.

**Expand coverage.** Improving access to health insurance is the first step toward assuring that all Americans have timely access to the health care services they need. We support building on the current employer-based system of providing coverage, while improving the insurance market to create better access to coverage for small businesses and individuals. This includes protecting insured individuals from losing coverage or being singled out for premium increases due to changes in health status, so that families with insurance are able to keep it. Subsidies or other mechanisms may be needed to help low income or high-risk individuals afford coverage. Subsidies should also be provided for small businesses to enable them to offer health insurance to their employees. All consumers should be armed with adequate and comparable information that will enable them to choose the health insurance product that best meets their needs.

**Reform government programs.** Health insurance coverage alone cannot ensure access to care. We believe that the safety net provided by public programs needs to be maintained and strengthened, and that payment levels must be sufficient to cover provider costs. The Medicare physician payment system, in particular, must be fundamentally reformed to eliminate the sustainable growth rate (SGR) formula that has required repeated Congressional intervention to prevent steep annual payment cuts. In addition, Medicare's current financing structure needs to be revised so that providers in a particular program category can receive appropriate recognition for savings they are able to achieve in a different part of the program. Outreach efforts to encourage enrollment in Medicaid and the Children's Health Insurance Program (CHIP) should be improved, and individuals eligible for Medicaid and CHIP should have the option of using public funds to help them purchase employer-sponsored health coverage.

**Improve quality.** System reforms must empower physicians to improve health care quality and effectively use finite resources. Quality measurement programs that are designed simply to identify and penalize physicians and other providers whose results appear to fall below the top level of performance will not yield the system-wide improvements needed to assure access to high-quality health care for all patients. Efforts to expand and accelerate the development of meaningful quality measures and reliable data sources to build an evidence base for high-quality

care should be supported. Efforts by specialty societies to develop new quality improvement tools and educate physicians about best practices should also be supported. Broad adoption of truly connected and interoperable health information systems will help achieve quality improvement goals, but investments are needed to develop an infrastructure that will yield maximum results. Infrastructure needs are particularly acute in smaller physician practices. Continued support for clinical comparative effectiveness research to provide physicians with useful information about various treatment options is needed, but we believe strongly that individual health care decisions must remain within the confines of the patient-physician relationship.

**Increase focus on wellness and prevention.** Improvements in the overall health status of all Americans will serve to rein in costs and improve productivity. Insurance benefit designs should be aligned with current evidence on disease prevention. There also should be an investment in research to fill gaps in knowledge about the most effective health promotion strategies. Public investments are needed in education, community projects, and other initiatives that promote healthy lifestyles. Special emphasis should be placed on collecting data and developing strategies to eliminate regional, racial, ethnic, and gender health disparities. Insurance benefit designs should also support early access to care for mental health and substance abuse disorders.

**Reduce costs.** Both private and public health insurance programs must be sustainable and steps need to be taken to control costs. Administrative burdens in both public and private plans divert resources from patient care and must be reduced or streamlined. Through its impact on defensive medicine, liability pressure is also a major contributor to rising health care costs. Innovative approaches to reform such as health courts, early disclosure and compensation programs, administrative determination of compensation, and standards for expert witness qualifications could help reduce these costs. Access to better information through funding of comparative effectiveness research can also help bend the cost curve by supporting better decision making by patients and physicians about diagnostic tests and treatment plans.

**Reform payment and delivery systems.** Value-based payment methodologies that improve chronic disease management and care coordination, including but not limited to the medical home, should be pursued. Other innovative approaches creating joint incentives for providers to coordinate and improve care and achieve cost efficiencies--such as accountable care organizations, gainsharing, and payment bundles--should be pilot tested to assess their feasibility for widespread implementation. Current regulatory restrictions and antitrust laws that inhibit physicians, particularly those in smaller practices, from pursuing clinical integration strategies aimed at quality improvement and care coordination need to be identified and remedied. Public and private programs must invest resources to assure an adequate physician workforce to meet national needs.

This year, virtually all stakeholders, including physicians, have made a commitment to advocate for improving our nation's health care system. While this is an enormous and complicated challenge, we are eager to work with Congress and the Administration on further developing detailed proposals that will lead us toward the patient-centered, fiscally sustainable, high-quality health care system that serves the needs of all Americans.

American Academy of Dermatology Association  
American Academy of Facial Plastic and Reconstructive Surgery  
American Academy of Family Physicians  
American Academy of Hospice and Palliative Medicine  
American Academy of Ophthalmology  
American Academy of Otolaryngology – Head and Neck Surgery  
American Academy of Physical Medicine & Rehabilitation  
American Association of Clinical Endocrinologists  
American Association of Neurological Surgeons  
American Association of Orthopaedic Surgeons  
American College of Cardiology  
American College of Obstetricians and Gynecologists  
American College of Osteopathic Surgeons  
American College of Physicians  
American College of Preventive Medicine  
American College of Radiology  
American College of Surgeons  
American Gastroenterological Association  
American Medical Association  
American Osteopathic Association  
American Osteopathic Academy of Orthopaedics  
American Psychiatric Association  
American Rhinologic Society  
American Urogynecologic Society  
American Urological Association  
American Society of Addiction Medicine  
American Society of Anesthesiologists  
American Society of Cataract and Refractive Surgery  
American Society of Pediatric Nephrology  
American Society for Reproductive Medicine  
American Society of Transplant Surgeons  
Association of American Medical Colleges  
College of American Pathologists  
Congress of Neurological Surgeons  
Heart Rhythm Society  
Infectious Diseases Society of America  
Joint Council of Allergy, Asthma and Immunology  
Medical Group Management Association  
Renal Physicians Association  
Society for Cardiovascular Angiography and Interventions  
Society for Vascular Surgery  
Society of Gynecologic Oncologists  
Society of Interventional Radiology  
The Society of Thoracic Surgeons