

- Legislative Issues Survey: Fighting for Physicians in 2015
- 2015 Annual Session - "Navigating the Rough Waters of Health Reform"
- In Other State News...
- In Other National News...

Could SGR Repeal REALLY Happen in 2015?

The answer is yes, it could happen in 2015 as it almost became reality in 2014 with bipartisan agreement over the legislation but the proposal fell apart over a lack of unanimity for how to pay for a permanent fix. During the special two-day meeting of the U.S. House Energy and Commerce Health Subcommittee on a permanent SGR fix this week, all sides were able to air their points of view. Payment-for-repeal remains a point of contention, but less so than in the past.

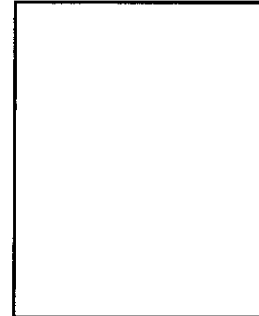
"With the current 'doc fix' expiring in less than 2 months, at the end of March, we are faced with the best opportunity in a decade to permanently dispose of the SGR," subcommittee chair Joe Pitts (R-PA), *Medpage Today* reported. "We are committed to rising to meet this challenge."

U.S. House Energy and Commerce Committee Chairman Fred Upton (R-MI) said that Medicare's budget is headed toward insolvency and, "That threatens long-term access to care for deserving seniors in the program, and that's not right. So we also [want to] shore up the program with changes to make it sustainable for years and generations to come," according to *Medpage Today*.

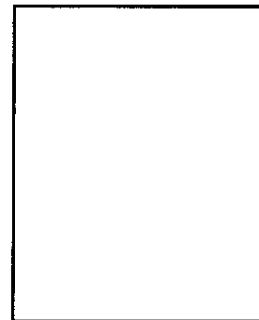
Senate Finance Committee Chairman Orin Hatch (R-UT) has also said recently that repeal of the SGR is a "must pass" piece of legislation.

Some key takeaways from this week's meeting:

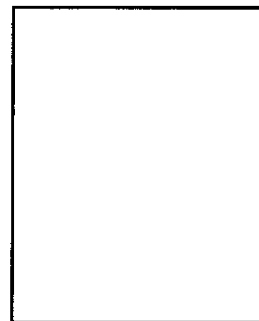
- It seems a majority of Congressional Democrats and Republicans want to see the SGR repealed and replaced to ensure long-term sustainability for the program
- Repeal of the SGR is at its lowest cost-point since



Richard C. Whitaker



Mark Jackson



Niko Corley

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annual delays of pending cuts from the SGR first became a problem

- Medicare is moving away from fee-for-service and SGR repeal could be the vehicle to fast-track that transformation

For the many members of Congress concerned with finding budgetary "offsets" or ways to pay for a permanent fix, currently estimated at \$140 billion over a decade, numerous proposals were floated at the meeting, including:

- Incentivizing physicians and others treating Medicare patients to join ACOs
- Establishing a means-testing system for Medicare so higher-income seniors would pay higher premiums
- Incentivizing patients to use generic over brand name drugs
- Competitively bidding lab tests, DME and certain other services paid for by Medicare
- Combining Parts A and B and charging beneficiaries a single deductible to cover both, around \$550 was discussed
- Raising the eligibility age gradually to 67
- Limiting the "first dollar" coverage that Medigap plans are able to offer
- Implementing similar drug rebates for Medicare as are utilized under Medicaid
- Recouping Medicare Advantage plan overpayments
- Enacting federal liability reforms that proponents argue could rein in "defensive medicine" and lower overall health costs

The Medical Association supports a permanent repeal of the SGR and replacement with a formula that fairly pays physicians for the services they provide Medicare patients. Despite the progress at this week's meeting and the momentum that seems to be building for a permanent fix, concerns remain over whispers of another temporary patch - whether for 12 months or until after President Obama leaves office - in lieu of permanent repeal. We are closely watching this discussion, analyzing the proposals being offered and will keep you posted on these developments. Permanent SGR repeal will be a focus of the Medical Association's advocacy efforts during the upcoming annual Governmental Affairs Conference in Washington, D.C., Feb. 7-10, along with stopping ICD-10



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and pulling back EHR penalties being levied on physicians.

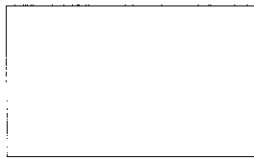
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The SGR formula for determining physician payments has proven to be unworkable for years and 17 times now Congress has put off a permanent repeal of this flawed program and instead enacted temporary patches. If Congress fails to act by March 31, physicians will see a more than 21 percent cut in Medicare payments.

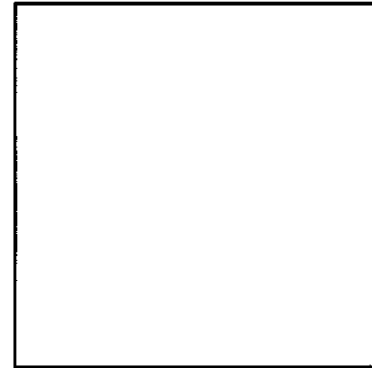
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[Top](#)

When Advocacy Works in Health Care



The definition of the word "advocacy" is simple: the act of supporting a cause or proposal. Yet, when groups of people gather together with a common goal, and speak with one voice, they can be very effective in enacting change.



Such is the case regarding widespread Congressional support for repealing the medical device tax. Borne from the Affordable Care Act, the tax is a 2.3 percent excise tax on medical products and equipment. While the device tax is no small issue over the entire health care system, it pales in comparison to much larger and more important physician/patient issues such as ICD-10, SGR and the like.

After the ACA's passage, an army of advocates for the medical device industry tackled the issue head-on and have since pushed repeal with members of Congress. As a result, earlier this week a bipartisan bill to repeal the tax caught the eye of Senate Majority Leader Mitch McConnell as a top priority. If the bill makes it to the Senate floor, there's a good chance it will pass and become retroactive to Dec. 31, 2012.

Imagine an even larger group of Alabama physician advocates making thousands of phone calls and emails to members of Congress to repeal the SGR, stop implementation of ICD-10, or repeal EHR penalties. It will take physicians coming together to lobby Alabama's Congressional Delegation alongside the Medical Association and allied specialties to stop such burdensome rules and regulations that impede physicians' ability to treat their patients.

If you haven't already, [click here](#) to get registration information and an agenda for the **Medical Association's**

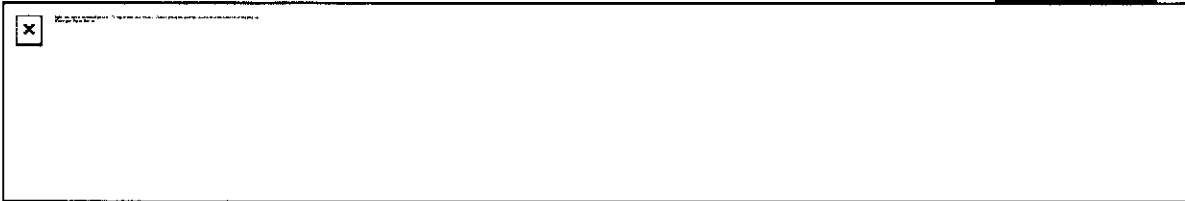
Mike Merrill

From: American Academy of Ophthalmology [academymail@ao.org]
Sent: Thursday, January 22, 2015 8:53 PM
To: jmikemerrill@gmail.com
Subject: Washington Report Express - Academy Member Communication

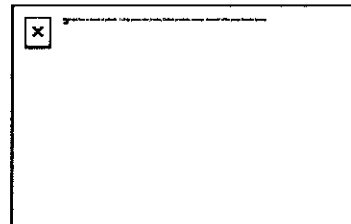
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January, 22 2015

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- [Congress Once Again Takes Aim at the SGR](#)
- [Academy to Take Part in Virtual SGR Advocacy Effort](#)
- [Optometry Seeks Primary Care Designation Under Loan Repayment Pilot Program](#)
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In 2014, the Academy battled optometric surgery proposals in eight states. State legislatures are now convening and there is no doubt that optometry is again aggressively pursuing surgical privileges from coast to coast. By making a confidential contribution to the Academy's Surgical Scope Fund, ophthalmology's leading resource to combat threats to safe surgery, you help ensure that surgery remains in the hands of the physicians and surgeons who are qualified to perform these delicate procedures. **Make your confidential contribution to SSF Today.**

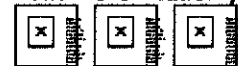
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House Health Subcommittee Holds Hearing on How to Pay for Repealing the SGR

Some key leaders in Congress believe the roadmap may already be in place

The House Energy and Commerce Subcommittee on Health held a two-day hearing this week on the broken Medicare sustainable growth rate formula. The hearing was a step toward advancing last year's legislation, supported by key House and Senate committees, to repeal and replace the SGR, as well as discuss how to pay for it.

The proposed legislation continues to have bipartisan support among subcommittee members as well as provider and patient groups. The presenters discussed a number of potential offsets that include redesigning Medicare benefits, Medigap reform, Medicare premium increases for higher income beneficiaries, and an increase in the Medicare eligibility age.

[Back to Top](#)

Congress Once Again Takes Aim at the SGR

Here's how you will benefit if they succeed in 2015

Efforts to repeal and replace the Medicare sustainable growth rate formula are getting some early attention from the new Congress as it gets firmly entrenched in the myriad health care issues for the year. As a congressional committee on health convened a meeting this week on the SGR, now is a good time to recap the benefits of fixing the broken formula and replacing it with a payment system that provides financial incentives for physicians that rewards higher quality of care based on outcomes.

The SGR was supposed to control and/or limit incentives to increase volume of services to maximize revenue, but it has not. In 2014, the House and Senate Committees with jurisdiction over the Medicare program agreed to support legislation to repeal the SGR, and develop a physician payment system that will improve value by aligning quality, patient outcomes, and efficiency. Unfortunately, political realities stalled final passage of this legislation due to lack of agreement on offsets, and it did not become law during the 113th Congress. Lawmakers have another opportunity this year to reintroduce the legislation that would:

- Immediately repeal the SGR.
- Provide relief from penalties on physicians that are imposed under the Physician Quality Reporting System and the Electronic Health Records/Meaningful Use and Value-Based Modifier programs.
- Establish a Merit-Based Incentive Payment System that provides positive or negative payment adjustments based on performance for providers remaining in the fee-for-service model.

A permanent repeal of the SGR continues to be a major focus of the Academy. Members can help by using this [pre-written letter](#) to Congress reminding them that they have unfinished business related to this key issue affecting the nation's physicians.

[Back to Top](#)

Academy to Take Part in Virtual SGR Advocacy Effort

Online and social media campaign intends to press lawmakers into action

Academy members are invited to participate on Feb. 4 in a virtual advocacy day intended to pressure federal lawmakers to take action on permanently repealing the sustainable growth rate formula. The American Association of Orthopaedic Surgeons is sponsoring this online advocacy day for specialties to urge Congress to continue the progress already made toward replacing the sustainable growth rate formula.

You can participate virtually by using the [Academy's pre-written letter](#), phone calls, Twitter, and Facebook to ask Congress to pass an SGR reform bill before the current patch expires March 31. New members of Congress need to understand the urgency of passing this legislation that would reform the Medicare physician payment system. Stress the implications of the potential 22 percent cut for your practice and patients, and the difficulty and uncertainty the multiple short-term patches cause.

To help members prepare for this "virtual fly-in," the Academy will provide sample Facebook messages, tweets using the hashtag #FixSGR, and scripts for phone calls in the Jan. 29 edition of *Washington Report Express*.