

June 16, 2003

The Honorable Bill Thomas
The Honorable Billy Tauzin
House Ways and Means Committee
House Commerce Committee
Washington, DC. 20015

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FEDERAL AFFAIRS DEPARTMENT

Dear Chairmen:

We are pleased to convey our strong support for the Medicare physician payment update provisions in H.R. 1, on behalf of the 28,000 ophthalmologist members of the American Academy of Ophthalmology. You and your health subcommittee chairs, Rep. Nancy Johnson and Rep. Michael Bilirakis, are to be commended for providing needed leadership on this issue so critical to physicians and their patients across the country today. The Medicare update provision in the "Medicare Prescription Drug and Modernization Act of 2003" provides for positive updates for 2004 and 2005 of not less than 1.5% each year, averting what administration officials have warned would be a "Medicare meltdown."

This effort follows your good work to address the update problems in February that resulted in derailing the 4.4% payment cut set to go into effect March 1, 2003. We very much appreciate your leadership in this effort and were devastated to find out that CMS now estimates negative updates for 2004 through 2007, even with this significant action. We understand the limitations of this two-year fix, and the Academy pledges to work with you on a long-term solution in the future that will assure stable and fair updates for physicians.

Again, the Academy applauds your commitment to protect beneficiary access to physician services under the Medicare program.

Sincerely,



William Rich, III, M.D.
Secretary for Federal Affairs

Cc: The Honorable Nancy Johnson
The Honorable Michael Bilirakis