

May 21, 2013



Kevin Brady, Chairman
House Ways and Means Health Subcommittee
Ways and Means Committee Office
1102 Longworth House Office Building
Washington D.C. 20515

Via email: waysandmeans.submissions@mail.house.gov

RE: *Submission for Hearing on Developing a Viable Medicare Physician Payment Policy*
- Comments on Repeal and Replacement of Medicare's SGR with Payment Reform

Dear Chairman Brady:

The Medical Society of New Jersey (MSNJ) is a non-profit physician membership organization. We represent approximately 8,000 physicians and are the largest physician organization in the State of New Jersey.

MSNJ would like to thank the House Ways & Means Health Subcommittee for its work on the repeal and replacement of the sustainable growth rate (SGR) formula for Medicare fees. For the first time in a decade we believe that there is both the will and a way for Congress to repeal the SGR and replace it with a new payment model. We appreciate this subcommittee's work on a path forward to a sustainable Medicare program for our nation's seniors.

MSNJ supports the AMA's Principles on SGR Transition. We respectfully submit the following comments and information for your consideration.

Positive statutory payment updates for a number of years are necessary to stabilize the Medicare program. Without certainty on payment amounts for the foreseeable future many physicians will opt-out of Medicare or will reduce the number of patients they are willing to treat. We already see this trend. Our members are informing us that they have already begun to, or they will, stop accepting new Medicare patients if payment reform is not achieved. While this trend is not immediately apparent, it will inevitably result in an access to care issue. Physicians simply cannot continue to build their Medicare patient population if they face payment cuts or payment uncertainty.

Positive statutory payment updates for a number of years will ensure that physicians who are nearing retirement continue to treat Medicare patients. Our members who are nearing retirement wish to continue to treat Medicare patients. With the assurance of positive payment updates and payment reform that is phased-in over a reasonable amount of time, they are more likely to stay in the Medicare program. This is particularly important for a state like New Jersey where the physician population is more aged.

MSNJ is particularly concerned about the impact of payment reform on solo and small practices. While practice size is increasing, many of our members are still practicing in small groups. For these physicians, it is particularly important that CMS actively engage in outreach and training through phases II and III so that these practices can remain in the Medicare program. We recommend that resources be committed to outreach and training for small practices to ensure that they can continue to treat our seniors in the Medicare program.

Physicians must be involved in the development of quality measures. The development of quality measures should be physician-led and tested before the measures are fully implemented. Medical and specialty societies are eager to assist with the development of quality measures.

We strongly support choice in the types of quality reporting, including patient registries. Generally, physicians need more immediate and accurate feed-back on the quality measures that they undertake. We encourage this subcommittee to ensure that legislation requires better feed-back from CMS on quality initiatives.

MSNJ strongly supports the use of risk-adjusted ranking that takes geographic differences into account in phase III. We agree that physicians should be able to choose whether performance assessment on quality and efficiency is at the individual or group level.

MSNJ supports the concept that physicians be allowed to opt-out for alternate payment models at any time. In addition, physicians should be permitted to participate in more than one alternate payment model.

Finally, medical liability reform, repeal of the Independent Payment Advisory Board, and passage of the Patient Empowerment Act that would allow private contracting between physicians and patients are all important initiatives to our members. We urge the subcommittee to address each of these in legislation to repeal and replace the SGR.

Respectfully submitted,

Lawrence Downs, Esq.
Chief Executive Officer
Medical Society of New Jersey

Attachment: contact sheet

Cc: Congressman Bill Pascrell, Jr.

Name:
Lawrence Downs, Esq.
Chief Executive Office
Medical Society of New Jersey

Organization:
Medical Society of New Jersey
2 Princess Road
Lawrenceville, NJ 08648

Phone:
609-896-1766

Email:
ceo@msnj.org
info@msnj.org

Title of Hearing:
Developing a Viable Medicare Physician Payment Policy
Hearing Date: May 07, 2013