

WASHINGTON, DC – Congressman Joe Courtney today joined with U.S. Reps. Joe Heck, D.O. (R-NV) and Allyson Schwartz (D-PA) to introduce bipartisan legislation to permanently repeal the flawed Sustainable Growth Rate (SGR) formula and set out a clear path toward comprehensive reforms of Medicare payment and delivery systems.

Medicare payment policies have a direct impact on the care that beneficiaries receive and the sustainability of Medicare in the long-term. Every year for over a decade, the Sustainable Growth Rate (SGR) formula—which is used to determine payments for physicians’ services under Medicare—has threatened to impose steep cuts in Medicare payments for care provided to America’s seniors. These cuts threaten to drive physicians out of Medicare, creating severe access problems for our seniors and leading to uncertainty and instability for patients, health care providers, and the federal budget.

The bipartisan *Medicare Physician Payment Innovation Act* will ensure patient access to physicians, while promoting efficiency, quality, and value in health care delivery. The bill provides immediate relief from cuts of over 30 percent to physician payments scheduled for January 1, 2013, puts in place vital delivery system and payment reforms to ensure long-term stability in the Medicare physician payment system, and contains the rising growth in healthcare costs.

“Since its adoption, the sustainable growth rate formula has been completely flawed,” **said Congressman Courtney.**

“Not only has it failed to reward good practices, but, with alarming frequency, it has put Medicare beneficiaries and doctors alike in a precarious situation. Our legislation will replace SGR and eliminate a defective formula once and for all.”

Summary of the *Medicare Physician Payment Innovation Act*:

- Permanently repeals the SGR formula and prevents a 30 percent cut to physician reimbursements scheduled for January 1, 2013
- Provides annual positive payment updates for all physicians for four years
- Ensures access to preventive care, care coordination, and primary care services through increased payment updates for those services
- Aggressively tests and evaluates new payment and delivery models
- Identifies a variety of unique payment models to provide options for providers across

medical specialties, practice types, and geographic regions

- Stabilizes payment rates for providers who demonstrate a commitment to quality and efficiency within a fee-for-service model
- Ensures long-term stability in the Medicare physician payment system through predictable updates that accurately reflect the cost and value of providing health care services in coordinated care models

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