

July 10, 1997

The Honorable Bill Archer  
U.S. House of Representatives  
Washington, D.C. 20515

Dear Congressman Archer:

The undersigned organizations are writing to ask you once again to support the Senate language on resource based practice expenses (RBPEs), rather than the House language. Our societies represent a combined membership of 316,000 physicians, many of whom practice in your state or district. They support the Senate language because it is the only version that begins to correct inequities that have reduced access to primary care services, especially in rural areas. We are concerned that you may have been misinformed about what the Senate language would require, compared to the House Commerce and Ways and Means bills. Let us set the record straight.

1. Some of the opponents of the Senate language say that it does not delay implementation of HCFA's proposal. *The fact is that it delays implementation until 1/1/99 and then requires an additional three year phase-in.* The only change that would occur next year is a modest--and overdue--down payment that would raise payments for undervalued primary care office visits.

2. Opponents claim that it would allow HCFA to proceed with making deep cuts in payments to surgeons. *The fact is that under the Senate RBPE proposal, fewer than 50 procedures--out of more than 7000 services in the fee schedule--would receive any significant albeit modest reductions.* For those procedures, the average reduction would be around 7 percent--and all of the money would be redistributed to improve payments for primary care office visits. No specialty would lose more than 4 percent in Medicare payments from a 10% transition to RBPEs. *The percentage reductions cited by opponents of the Senate plan are from HCFA's proposed rule, not the Senate proposal. It is highly misleading to suggest that the Senate proposal would result in deep cuts.*

3. Opponents argue that access to surgical procedures would suffer. *We don't believe that surgeons would withhold needed services because of the few percentage points that they would lose in Medicare payments under the Senate RBPE provisions.* (And under the Senate proposal, payments to cardiologists and gastroenterologists would actually *increase* in 1998). The real access problem in this country is poor access to *primary care*, due in large part to inadequate payments for the overhead costs of running a primary care practice.

4. Opponents claim that HCFA would not be directed to re-examine its data. *In fact, the Senate language is the only one that requires independent review by the GAO and an expert panel on the data and methodology used by HCFA, with two separate reports back to Congress. This, plus the one-year delay, would allow for any needed corrections.*

Here are the facts that opponents of the Senate plan haven't told you. It is the only one that will make modest improvements in 1998 in payments for undervalued primary care services, but without exposing any physician to deep cuts. It delays the rule for a year and provides for adequate direction to HCFA plus independent review of the data. They also haven't told you that the Commerce Committee language could result in indefinite delay in implementation of RBPEs by adding requirements that could be difficult, if not impossible, to meet. The result would be continued reductions in access to primary care, especially in rural areas. We ask you to reconsider your position and support the Senate RBPE language.

Sincerely,

American Academy of Pediatrics  
American Academy of Family Physicians  
American Association of Clinical Endocrinologists  
American College of Physicians  
American College of Rheumatology  
American Medical Directors Association  
American Osteopathic Association  
American Society of Internal Medicine  
Renal Physicians Association