



Improving Medicare Physician Payments

The College strongly supports the “SGR Repeal and Medicare Provider Payment Modernization Act of 2014” (H.R. 4015/S. 2000). We are especially pleased that this bipartisan, bicameral legislation includes the following elements:

- **Repeals the SGR and replaces it with a system focused on quality, value, and accountability.**
- **Removes the imminent threat of physician payment cuts and ensures a 5-year period of annual updates of 0.5 percent to transition to the new system.**
- **Improves the existing fee-for-service system by rewarding value over volume.**
- **Consolidates the three existing quality programs into a streamlined and improved program that rewards physicians who meet performance thresholds and improve care for seniors.**
- **Rewards physicians that engage in clinical practice improvement activities that will help facilitate their future participation in alternative payment models (APMs).**
- **Implements a process to improve payment accuracy.**
- **Creates incentives for care coordination efforts for patients with chronic care needs.**
- **Creates incentives for physicians to move into APMs including a 5 percent bonus to physicians who receive a significant portion of their revenue from an APM, including patient centered medical homes (PCMH).**
- **Establishes a process to review and recommend physician-developed APMs based on criteria developed through an open comment process.**
- **Expands the use of Medicare data for transparency and quality improvement**

ACP will continue to work with members of Congress to get this bill to the President for his signature no later than March 31, 2014, in time to prevent a scheduled 24 percent payment cut on April 1, 2014. The College strongly opposes another temporary patch or freeze: with agreement having been reached on a bipartisan, bicameral bill to reform Medicare physician payments and repeal the SGR, there is no reason for Congress put off acting now to send real reform to the President for his signature.