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HATCH STATEMENT AT FINANCE COMMITTEE HEARING EXAMINING WAYS TO IMPROVE MEDICARE PHYSICIAN PAYMENT SYSTEM

WASHINGTON – U.S. Senator Orrin Hatch (R-Utah), Ranking Member of the Senate Finance Committee, delivered the following opening statement at a committee hearing examining effective ways to permanently repeal the sustainable growth rate (SGR) formula within the Medicare physician fee schedule and make improvements to the current system as physicians transition to alternative payment models:

As many of you know, over the past several years, both Chairman Baucus and I have called for a permanent repeal of the SGR. Indeed, over the past year, Medicare physician payment issues have received significant attention from this committee.

Just last summer, we convened several roundtable discussions with former CMS Administrators, leading private sector health organizations, and leading physicians to gain better insight into physician payment reform efforts and ideas to improve our payment system for physicians serving Medicare patients.

This is our second hearing on physician payment issues this year.

Moreover, over the last two months, the Chairman and I have received more than 130 responses to the letter we sent to the health care community seeking input on improving the physician fee schedule and helping physicians transition to alternative payment methods as they develop.

I want to thank the stakeholder community for their thoughtful responses.

Rest assured, we will give them strong consideration as we work to find a long-term solution for paying our physicians.

There is no doubt that we have all grown weary of the end-of-year scramble to stop the draconian payment cuts to physicians serving Medicare beneficiaries.

But this year is different.

We have a new important consideration to encourage our action. According to CBO, the current cost to repeal the SGR has been substantially reduced.

If the Congress doesn't act now, when will we ever find a path forward?

We must seize this opportunity and it is up to this committee to find the solution. We must act soon so we can finally put our physicians on a stable financial footing.

I look forward to hearing from Mr. Blum this morning about how CMS has sought to improve the Medicare physician payment system and how the Administration can work with us to find a bipartisan path forward.

Thank you for being here, Mr. Blum.

And I thank you, once again, Mr. Chairman, for continuing this important discussion.

I look forward to continuing to work with you as we look to provide a stable foundation for paying our physicians now and in the future. I believe we are making real progress and I am hopeful we will produce a permanent solution this year.

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