

Opening Statement by U.S. Senator Chuck Grassley of Iowa
Chairman, U.S. Senate Finance Committee
Hearing on Medicare Physician Payment Reform After Two Years: Examining MACRA
Implementation and the Road Ahead
Wednesday, May 8, 2019
[VIDEO](#)

I want to thank the witnesses for being here today.

We look forward to hearing how physician payment reforms in the Medicare Access and CHIP Reauthorization Act are driving good patient outcomes.

The MACRA law also took the historic step of getting rid of the flawed Sustainable Growth Rate formula.

Let me take a moment to go through the history of the SGR as the saga ended with a hopeful message.

Congress established the SGR in 1997 as a mechanism to control Medicare spending on physician services.

The formula worked at first but it wasn't long before it called for large reductions in payments that threatened access to care.

This set in motion a perpetual exercise where Congress scrambled to prevent the cuts.

Congress acted 17 times over more than a decade—each time kicking the can down the road without solving the underlying problem.

Then, in 2015, Congress finally came together and passed the MACRA law by an overwhelming margin in both chambers.

MACRA showed that Congress can still work together in a bipartisan manner to address big problems.

This reminder reinforces my belief in the current bipartisan Finance Committee process to lower prescription drug costs.

It bodes well for making changes in Medicare to improve access to care for patients in rural and underserved areas. This is another project to which Ranking Member Wyden and I are committed.

These bipartisan efforts also provide a glimmer of hope that Republicans and Democrats can join together to prevent Medicare from going broke.

I urge my colleagues on the other side of the aisle to focus on shoring up Medicare's finances.

This is time better spent than trying to expand Medicare for all only for it to invariably end up available to none.

The MACRA payment reforms established incentives for physicians to provide the highest quality of care at the lowest possible cost.

Physicians can pick from two different paths.

They can opt to be graded on metrics in a number of different categories, or choose to get paid under a different model, such as a single payment for a bundle of services.

This Committee held a hearing in 2016 on the initial plan by the Centers for Medicare and Medicaid Services to implement these reforms.

While the CMS implementation remains a work-in-progress, the two years of experience allows us to take stock of how well these reforms are working.

That's why we brought in physicians and other experts who are at the forefront of these efforts.

The witnesses are from physician organizations that represent different specialties and practice characteristics.

This diversity of physician practice mirrors the varying needs of Medicare patients.

It also highlights the inherent challenge in getting top-notch care to everyone, including those in rural areas.

I am proud that physicians in Iowa provide high-quality care while spending less than in many other areas.

This is the value that the MACRA payment reforms aim to achieve.

I look forward to hearing from the witnesses about their experience and what Congress should consider for the road ahead.

I now recognize Ranking Member Wyden for his opening statement.