

Rep. Joseph R. Pitts
Opening Statement
Energy and Commerce Committee

**Markup of H.R. 2810, the “Medicare Patient Access and Quality
Improvement Act of 2013”**

July 30&31, 2013

Thank you, Mr. Chairman.

Since 2003, the Sustainable Growth Rate (SGR) formula, through which Medicare reimburses providers, has called for ever-increasing cuts to physician payments.

In the last decade, Congress has voted more than 15 times, usually – and unfortunately – at the eleventh hour, for temporary “fixes” and “patches” to prevent these cuts from going effect.

These looming cuts have left providers uncertain of whether they will be able to afford to keep treating Medicare patients and have threatened seniors’ access to care.

We face another scheduled cut on January 1, 2014. If we do nothing, Medicare providers will receive a 25% reduction in reimbursement.

This situation is no longer tolerable.

Nor is it acceptable to simply pass another “fix” to get us through 2014.

I said this at last week’s Subcommittee markup, and I will say it again: the time of temporary patches and kicking the can down the road is over.

For more than two years, this Committee has worked to develop a reform policy to repeal the SGR, and the discussion draft before us today, sponsored by Dr. Burgess, is the first meaningful product to do so since SGR was created in the Balanced Budget Act of 1997.

First, and most importantly, it permanently repeals the SGR.

It then provides a five-year period of transition, with a baseline inflationary update of 0.5% per year while the new Quality Update Incentive Program is developed and implemented.

Beginning in 2019, those providers who choose to stay in fee-for-service will be able to earn an additional 1% update, on top of the annual inflationary update, by meeting quality measures and clinical improvement activities.

For providers who choose to leave fee-for-service, they are free to participate in alternative payment models that demonstrate savings and quality care for patients.

Our goal is not to place new burdens on providers or create “busy work” for them. It is to streamline the requirements that already exist, and let them go back to what they do best: taking care of patients.

This bill comes after multiple Health Subcommittee hearings on the SGR, and four public legislative proposals, with a comment period after each, to invite public reaction.

It represents the best ideas and feedback from patients, providers, Republicans, and Democrats, and from our physician colleagues in the Doctor Caucus.

Chairman Upton, Ranking Member Waxman, Subcommittee Ranking Member Pallone, Chairman Emeritus Dingell, Dr. Burgess and I are cosponsors of this bill, and I would urge all of my colleagues to support it.

Finally, I would like to thank the Subcommittee staff and Dr. Burgess’ personal staff for their work on this critical piece of legislation.

Thank you, and I yield back.