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March 20, 2012

The Honorable John Boehner
Speaker
U.S. House of Representatives
H-232 U.S. Capitol
Washington, DC 20515

Dear Speaker Boehner:

On behalf of the physician and medical student members of the American Medical Association (AMA), I am writing to express our strong support for H.R. 5, the “Preserving Access to Healthcare Act” (PATH Act) that will be considered on the House floor this week. This legislation addresses two important issues, both of which are high priorities for America’s physicians.

The first of these is the repeal of the Independent Payment Advisory Board (IPAB) as called for in H.R. 452, introduced by Representative Phil Roe, MD, and embodied in Title II of the PATH Act. The AMA has consistently expressed its opposition to the IPAB on several grounds. The IPAB puts important health care payment and policy decisions in the hands of an independent body that has far too little accountability. Major changes in the Medicare program should be decided by elected officials. We have already seen first-hand the ill effects of the flawed sustainable growth rate (SGR) physician target and the steep Medicare cuts that Congress has had to scramble each year to avoid, along with the significantly increasing price tag of a long-term SGR solution. Adding additional formulaic cuts through IPAB is not rational policy and would be detrimental to patient care, especially as millions of baby boomers enter Medicare.

The experience with the SGR also raises concerns about policy decisions based on projections that require subsequent adjustments to reflect more accurate data. In 2003, Congress had to take action to allow the Centers for Medicare & Medicaid Services to correct \$54 billion in projection errors under the SGR target. The IPAB also imposes a rigid budget target that is prone to “projection errors” that would force Congress to produce billions of dollars in offsets due to inaccurate calculations.

Secondly, but no less important, are elements of the “Help Efficient, Accessible, Low-cost, Timely Healthcare (HEALTH) Act of 2011,” introduced by Representative Phil Gringrey, MD. As crafted for floor consideration, Title I of the PATH Act includes significant reforms that will help repair our nation’s medical liability system, reduce the growth of health care costs, and preserve patients’ access to medical care.

We believe that the proven reforms contained in the PATH Act would greatly improve the medical liability climate, while ensuring that patients who have been injured receive just compensation. This

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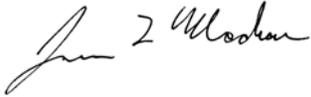
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bill provides a solid balance of reforms by promoting speedier resolutions to disputes, maintaining access to courts, maximizing patient recovery of damage awards with unlimited compensation for economic damages, while limiting non-economic damages to a quarter million dollars. In addition, the PATH Act protects medical liability reforms at the state level.

We encourage all members of Congress to address both of these critical issues by supporting the "Preserving Access to Healthcare Act."

Sincerely,

A handwritten signature in cursive script, appearing to read "Jim L. Madara".

James L. Madara, MD