

July 14, 2011

The Honorable Barack Obama  
The White House  
Washington DC 20500

The Honorable Joe Biden  
The White House  
Washington DC 20500

The Honorable Harry Reid  
U.S. Senate  
Washington DC 20510

The Honorable Mitch McConnell  
U.S. Senate  
Washington DC 20510

The Honorable Dick Durbin  
U.S. Senate  
Washington DC 20510

The Honorable Jon Kyl  
U.S. Senate  
Washington DC 20510

The Honorable John Boehner  
U.S. House of Representatives  
Washington DC 20515

The Honorable Nancy Pelosi  
U.S. House of Representatives  
Washington DC 20515

The Honorable Eric Cantor  
U.S. House of Representatives  
Washington DC 20515

The Honorable Steny Hoyer  
U.S. House of Representatives  
Washington DC 20515

**Dear President Obama, Vice President Biden, Senators, and Representatives,**

Our country faces a crisis. The dramatic drop in revenue caused by the economic crisis of 2008 and its fallout has made it difficult for our government to keep its promises to its citizens. We are about to breach our debt ceiling which – if not raised – will have serious consequences for our financial markets as well as for millions of patients who rely on the federal government for health care if the government does not have sufficient cash flow to cover expenses.

As medical organizations representing nearly 300,000 physicians and medical students in all 50 states and the District of Columbia, we write to you at this critical moment to share our views on budget measures under discussion as part of the debt ceiling negotiations. We understand that rising health care costs have caused and continue to cause a strain on our nation's fiscal health. Many well-intentioned proposals have offered solutions to reduce the long-term costs of two of our nation's most important programs – Medicare and Medicaid.

We welcome thoughtful ideas to reduce costs while preserving the quality and access to care upon which millions of Americans depend. However, we are concerned about proposed measures directed at Medicare and Medicaid that would adversely impact patients' access to health care and the quality of their care. As these discussions evolve, we would like to be clear on our recommendations for safeguarding the health of millions of Americans.

**First, we firmly believe that any proposed changes to Medicare and Medicaid should not decrease patient's access to care or the quality of care they receive.** We are concerned about proposals to decrease federal funding of Medicaid through a block grant system or changed rate formulas or other proposals that would place a greater burden on states without providing a guarantee of coverage for medically necessary services. These changes would create an incentive to cut enrollment and benefits such that millions of Americans, including children, would lose coverage. More patients would be diverted back to emergency rooms with expensive and delayed care. Additionally, supporting access to preventive care for children is an important component of Medicaid and is an important step toward creating healthy adults, thus saving money over the lifespan. Furthermore, such measures would adversely impact our ability to realize one of the key promises of the Affordable Care Act – an additional 16 million Americans covered through Medicaid expansion.

We are also concerned about changes to Medicare that would place an increased financial burden on seniors and disabled people to maintain their coverage. We do not support a defined contribution plan that would force seniors and those with disabilities to pay an increasing portion of their healthcare costs in the private market without guaranteed essential benefits. We also do not support measures that would increase cost-sharing for services of proven value or that would make it more challenging for these patient populations to find a physician.

**Second, we believe that we can address the real drivers of cost in the health care system by supporting innovation.** We support measures that will enable us to develop more effective delivery systems, shift our focus to preventing disease, enhance the quality and consistency of care, expand our workforce so we have enough providers to care for patients, and ensure we are paying providers fairly for valuable care. We believe that budget measures that would impair our ability to innovate on these fronts would make it harder for us to reign in health care costs and thereby worsen our nation's long term financial future. We also believe we should address the ongoing need to repeal the sustainable growth rate formula that distracts from focusing on true costs of care and innovative ways to improve care and cost effectiveness.

We understand the pressure lawmakers are under to reduce spending and the national deficit. But proposals that reduce spending at the expense of patients' access to good care would merely shift the burden to a population least capable of making up the difference: our patients. Not only would this be economically counterproductive, but it would be a violation of the moral contract that our country has with its citizens.

In summary, the undersigned organizations, representing nearly 300,000 physicians and medical students, ask that you reject changes to Medicare and Medicaid that would burden our most vulnerable patients with rising costs and decrease their access to care. We fully acknowledge that creativity is required in tackling health care costs. But the goal should not simply be cheaper Medicare and Medicaid -- it should be a better, more efficient system for the betterment of all. Too many of these proposals miss the mark, with potentially devastating consequences for our patients. Instead, we ask you to work with us to address the real drivers of cost through innovative approaches to improving our health care system. Using this approach, we believe that together we can ensure that the United States can continue to meet both our financial obligations and our promises to our citizens.

Sincerely,

Doctors for America

HIV Medicine Association

American Academy of Pediatrics

National Doctors Alliance/SEIU Healthcare

American College of Cardiology

National Hispanic Medical Association

American Medical Student Association

National Medical Association

American Medical Women's Association

National Physicians Alliance

Assoc. of Physicians of Pakistani Descent of North America

Society of General Internal Medicine

Committee of Interns and Residents/SEIU Healthcare

Student National Medical Association

Doctors Council-SEIU