AMGA
American Medical Group Association

November 25, 2003

Senator William H. Frist
United States Senate
416 Russell Senate Office Building
Washington, DC 20510

Dear Majority Leader:

The American Medical Group Association (AMGA) wishes to thank you for your dedication and effort to effect passage of Medicare prescription drug legislation. The AMGA and its member organizations, which include some of the largest, most prestigious integrated health care delivery systems caring for more than 50 million patients in 40 states, applaud you and your colleagues for securing approval of this historic legislation which will benefit Medicare beneficiaries' access to timely, high-quality health care.

We want to express our appreciation for your work ensuring the inclusion of the 1.5% update increase to the Medicare Physician Payment fee schedule for the years 2004 and 2005. As you know, CMS' November 7th Final Rule, if implemented, would have reduced physician reimbursement for 2004 by 4.5%. Imposing this reduction on top of the 5.4 % cut in 2002 would have had a drastic effect on Medicare beneficiaries' access to the physicians of their choice.

AMGA members are also grateful for your efforts to alleviate the financial and administrative burdens that would have been imposed by the proposed 20% co-payment for beneficiaries' Part B clinical diagnostic laboratory tests, as well as your endorsement of voluntary compliance efforts related to electronic-prescribing. Similarly, AMGA and its members were pleased to see inclusion of adjustments to the Geographic Practice Cost Indices that will help rural medical group practices.

Thank you again for securing passage of this critical legislation and for protecting beneficiaries' access to physician care while providing a prescription drug benefit and improving the Medicare program. We look forward to working with you in the future as you continue to improve the Medicare program.

Sincerely,

Donald W. Fisher, Ph.D.
President and CEO

American Medical Group Association
1422 Duke Street
Alexandria, VA 22314
703/838-0033 or www.amga.org