



December 9, 2009

Majority Leader Senator Harry Reid
S-221, The Capitol
Washington, DC 20510

Dear Senator Reid:

I am writing on behalf of the Board of Directors of the American Medical Group Association (AMGA), a professional organization which represents medical groups and organized systems of care, including some of the nation's largest, most prestigious integrated healthcare delivery systems. Approximately 95,000 physicians practice in AMGA member organizations and provide health care services for 96 million patients in 49 states.

You have asked a group of 10 Senators chaired by Senator Schumer to address the public option. It has been widely reported that as part of the group's work, a plan has been developed to allow a "buy-in" to Medicare for those 55 years of age and without other insurance coverage. We have grave concerns about such a plan.

If enacted into law, a "buy-in" would result in physicians providing care for a mass of new patients reimbursed at Medicare rates, payments which are much too low. The resulting financial consequences to providers would be devastating, certainly resulting in significant contraction of Medicare participating providers, exacerbating the predicted access problems. Furthermore, a "buy-in" would lead to the rapid influx of millions of new Medicare beneficiaries. This would produce a surge in demand for medical care that would overwhelm the delivery system, causing access problems for all.

Considering the negative ramifications, I strongly urge you to oppose the Medicare "buy-in".

Sincerely,



Don Fisher, PhD, CAE
President and CEO
American Medical Group Association