



November 20, 2009

Charlene Frizzera
Acting Administrator
Centers for Medicare and Medicaid Services
Department of Health and Human Services
P.O. Box 8013
Baltimore, MD 21244-8013

Dear Ms. Frizzera:

As President of the American Medical Group Association, a medical trade association representing multispecialty medical groups and other organized systems of care, I am writing to express concern over the scheduled 21 percent reduction in 2010 payments to physicians and other providers paid under the Medicare physician fee schedule and to urge you to develop contingency plans and guidance for medical groups as soon as possible in the event that cuts to the sustainable growth rate (SGR) are implemented and then reversed. Congressional intervention to reverse cuts to the SGR is probable, but the timing is uncertain. A similar situation arose in early 2006. At that time CMS asked health care providers to not resubmit claims already submitted since CMS planned to automatically reprocess them after pertinent legislation passed.

We appreciated the fact that medical groups were spared the burden of resubmitting claims, however, the situation still created substantial administrative difficulties. Among them were problems with duplicate accounts that Medicare carriers created due to reprocessing the additional payments, and the long time it took for the carriers to reconcile the payments, which in turn produced a burdensome cash flow diminution for many practices. There was additional consternation for patients who were billed for additional co-payments due to the reversal of the cuts. This created an additional burden for medical practices which had to explain these effects to confused beneficiaries.

I urge CMS to begin, as soon as practicable, outreach to patients and the physician community describing contingency plans and to provide guidance to medical practices of your plans and requirements to minimize operations and financial disruptions. You may contact Karen Ferguson,

of my staff, at kferguson@amga.org or 703-838-0033x349 with any questions, or if we may be of assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Donald W. Fisher". The signature is fluid and cursive, with a large initial "D" and "W".

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