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February 10, 2014

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Administrator

Centers for Medicare and Medicaid Services

Department of Health and Human Services

Room 445-G, Hubert H. Humphrey Building

200 Independence Avenue, SW

Washington, DC 20201

Dear Administrator Tavenner:

On behalf of the American Medical Group Association (AMGA), I am writing to you to express AMGA's concern over anticipated 2015 cuts to the Medicare Advantage (MA) program. Any additional reduction, coupled with the already-scheduled 6.7 percent cut for 2014, will seriously impact the services multi-specialty medical groups provide to their patients under MA, decrease beneficiary access to providers and services, and increase costs to beneficiaries enrolled in MA plans. AMGA urges you to hold 2015 MA rates flat to avoid disruptions such as these in the MA program.

AMGA represents some of the country's largest, most prestigious integrated health care systems and multi-specialty medical groups. The nearly 125,000 physicians practicing within AMGA's member groups deliver health care services to more than 130 million patients in 49 states, and include such distinguished groups as the Mayo Clinic, Cleveland Clinic Foundation, Ochsner Clinic Foundation, Johns Hopkins University School of Medicine, Geisinger Health System, Henry Ford Health System, and the Permanente Federation.

Multi-specialty medical groups invest in sophisticated information technology, care management processes, and teams of providers to coordinate high quality care. MA plan benefit structures align well with medical groups' provision of outstanding care. However, that care becomes more problematic when MA reimbursements are significantly reduced in two successive years. Plans and providers will have little recourse except to reduce services and programs for their patients.

MA plans are popular with beneficiaries because they provide incentives to maintain health and wellness, along with additional services not found in fee-for-service Medicare. These incentives help reduce readmissions for MA enrollees and reduce bed days for patients with chronic illness. Consequently, MA rates should remain flat for 2015 to ensure that this level of care and results continue.

Thank you very much for considering our views on this important matter. Please feel free to contact me or Chet Speed at (703) 838-0033 ext. 364 or by email at cspeed@amga.org if you have questions or require additional information.

Sincerely,

A handwritten signature in black ink, appearing to read 'Donald W. Fisher', written in a cursive style.

Donald W. Fisher, PhD, CAE
President and CEO - AMGA