At the federal level, the Oklahoma State Medical Association (OSMA) is aggressively involved in advocacy efforts, related to the most vital issues in medicine, including the following:

**Medicare Physician Payment Reform:**

OSMA continues to advocate for repeal of the flawed Medicare Sustainable Grow Rate formula, and urge Congress to replace it with stable, and adequate annual Medicare physician payment updates, thus ensuring beneficiaries' continued access to care. A vast majority of U.S. House and Senate members agree but there is no consensus on how to pay for it.

In 2014 hopes were high that Congress would pass a bipartisan, bicameral bill to provide a permanent solution to this flawed formula. Last year was particularly hopeful because the nonpartisan Congressional Budget Office unexpectedly cut the cost of a permanent fix by over $100 billion. Unfortunately Congress couldn’t agree on how to pay for the fix. In the end Congress lacked the necessary willpower to cover the costs of the legislative fix. Instead, they voted for the 17th time to put another short term fix on the problem.

Due to flaws in how the formula was designed, the corresponding result has mandated physician rate cuts every year over the past 13 years. Only short term Congressional “patches” have stopped the cuts. Physicians now face the threat of another major payment cut on April 1, 2015. This is on top of a 2 percent sequestration cut that began in 2013 as required by the Budget Control Act of 2011. And to make matters worse, physicians are facing multiple small cuts that will whittle away their payments over the next several years due to the new Affordable Care Act requirements.

Compounding this, most commercial insurers pay physicians based on a percentage of the Medicare rate. Since Medicare payments have been essentially unchanged over the past 13 years, this double hit has meant a flat-lining of physician payment rates and now threatens the viability of many physician practices. This decade long and continued uncertainty is forcing some physicians to make the difficult decision to either opt out of Medicare, limit the number of patients they treat, or retire early. Many Oklahoma physicians, for example, are considering opting out of the Medicare program altogether.

It is no secret that Oklahoma Medicare patients today often can’t find a new physician when they need one. This forces Medicare patients to put off care until they are sicker, or they end up using hospital emergency departments, one of the most expensive care options for patients. Oklahoma physicians all recognize the value that hospitals, nursing homes, home health services, durable medical equipment and other health care providers give to Medicare patients. However, over the past decade, they all have received annual payment increases, while physicians have not.

Congress must repeal the flawed SGR formula at once and replace it with a rational Medicare physician payment system that works and is backed by a fair, stable funding formula. We urge the Oklahoma Congressional delegation to develop a list of viable pay-fors to cover the costs.

(See Attached Specifics for Medicare Payment Reform Requests)
Support the Medicare Patient Empowerment Act

OSMA strongly supports legislation that would establish a Medicare payment option for patients and physicians to freely contract, without penalty, for Medicare fee-for-service physician services, while allowing Medicare patients to use their Medicare benefits and allowing physicians to bill the patient for all amounts not covered by Medicare. Physicians and practitioners could continue to elect Medicare participating (PAR) or non-PAR status for other patients they treat.

Repeal the Independent Payment Advisory Board

OSMA supports legislation that would repeal the Independent Payment Advisory Board (IPAB) which has drawn 35 Republican cosponsors. OSMA is urging the Oklahoma Congressional delegation to support the Protecting Seniors’ Access to Medicare Act of 2015 (S. 141). The legislation was introduced by Sen. John Cornyn, R-Texas. Rep. Phil Roe, MD, R-Tennessee, is expected to introduce the companion bill in the House of Representatives in the near future.

The IPAB is a panel that puts significant health care payment and policy decisions in the hands of an independent body of individuals with far too little accountability, and could adversely affect access to health care for patients. Patients and physicians are still struggling with the frequent threat of drastic cuts from the broken sustainable growth rate formula. The IPAB would be another arbitrary system that relies solely on payment cuts to reduce Medicare spending. The OSMA looks forward to working with members of the Oklahoma Congressional delegation to secure passage of the legislation.

Key Changes Needed for a Modern GME System

The OSMA joined the AMA in submitting a letter on Jan. 16 in response to the House Energy & Commerce Committee’s request for information on Medicare’s graduate medical education (GME) financing system.

In an open letter to stakeholders, the Committee posed questions about the environment of the current GME program, alternative financing policies and how to ensure an adequate physician workforce across specialties and settings. The OSMA recommends the following improvements to secure a more stable and effective program:

- Remove the existing arbitrary cap on publicly funded residency positions.
- Increase the number of GME positions to address future physician workforce, regional, and specialty needs.
- Promote educational experiences in the broadest possible range of educational settings, so that residents gain experience caring for patients in the settings where they will ultimately practice.
- Actively explore additional sources of GME funding, including states and all-payer models, to ensure adequate and stable support for training programs.