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AARP Testifies on Responsible Medicare Solutions, Permanent “Doc Fix” in House Committee Hearing

WASHINGTON, DC—In testimony before the House Energy and Commerce Subcommittee on Health today, AARP advocated for a permanent solution to the Sustainable Growth Rate (SGR) formula, also known as the “doc fix”, used to reimburse doctors and other providers in the Medicare program.

“Permanently repealing the sustainable growth rate formula will bring stability and predictability to health care providers and the Medicare beneficiaries they serve,” said AARP President-Elect Eric Schneiderwind who testified before the committee. “We applaud the move away from fee-for-service and toward more coordinated care; the streamlined quality reporting system; the greater use of quality measurement; and greater data transparency, among other improvements.”

Under current law, Medicare updates physician fees using a method called the SGR which was designed to keep spending in line with an overall target. Since 2002, spending on physician services has exceeded the flawed SGR target, triggering reductions in physician updates which have been repeatedly addressed. However, regular threats to reimbursement rates have caused providers to consider not accepting Medicare patients, and caused Medicare beneficiaries to fear losing access to their provider. In addition, plans to offset the cost of SGR reform have often included significant cost-shifts onto beneficiaries.

In his testimony before the Committee, Schneiderwind reiterated AARP’s position that any SGR proposals should not include shifting costs onto Medicare beneficiaries through higher cost-sharing or reduced benefits. AARP also strongly urges inclusion of the following “health extender” protections for Medicare beneficiaries in any SGR repeal legislation:

- Make the Qualifying Individual Program that pays Part B premiums for Medicare beneficiaries with annual incomes between \$14,000–\$15,750 permanent;
- Repeal the Medicare payment caps on therapy for people with long-term, chronic health conditions; and
- Make funding for critical community-based resources permanent.

“AARP firmly believes that any discussion of offsets to pay for Medicare reimbursement reform must include savings from prescription drugs,” added Schneiderwind. “We urge you to give strong consideration to...prescription drug proposals that could save as much as \$150 billion—savings that could almost fully offset the cost of the SGR fix.”

[Click here](#) to read AARP’s full testimony.

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About AARP

AARP is a nonprofit, nonpartisan organization, with a membership of nearly 38 million, that helps people turn their goals and dreams into real possibilities, strengthens communities and fights for the issues that matter most to families such as healthcare, employment and income security, retirement planning, affordable utilities and protection from financial abuse. We advocate for individuals in the marketplace by selecting products and services of high quality and value to carry the AARP name as well as help our members obtain discounts on a wide range of products, travel, and services. A trusted source for lifestyle tips, news and educational information, AARP produces AARP The Magazine, the world’s largest circulation magazine; AARP Bulletin; www.aarp.org; AARP TV & Radio; AARP Books; and AARP en Español, a Spanish-language website addressing the interests and needs of Hispanics. AARP does not endorse candidates for public office or make contributions to political campaigns or candidates. The AARP Foundation is an affiliated charity that provides security, protection, and empowerment to older persons in need with support from thousands of volunteers, donors, and sponsors. AARP has staffed offices in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. Learn more at www.aarp.org.

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