AARP Statement on House Passage of Medicare SGR Reform Bill

AARP applauds bipartisan work but continues pressing to improve bill in Senate

WASHINGTON, DC—AARP applauds the House for its bipartisan work on the Medicare Access and CHIP Reauthorization Act of 2015 (H.R. 2) that permanently replaces the Sustainable Growth Rate (SGR) formula. However, we remain concerned that Medicare beneficiaries are unfairly shouldering more than their fair share of the cost of the SGR “Doc Fix,” and we urge further improvements as the bill moves to the Senate.

“AARP has long supported a permanent solution to the SGR so that Medicare beneficiaries can rest assured that they’ll be able to continue seeing their physician each year,” said AARP Executive Vice President Nancy LeaMond. “We also support the move towards greater use of quality measures and reporting and increased care coordination, among other improvements in the new physician payment formula designed to enhance value in Medicare.”

While AARP commends the House of Representatives for working together in a bipartisan fashion on this SGR bill, we are concerned that Medicare beneficiaries will now face higher out-of-pocket costs, including higher premiums and reduced coverage through certain Medicare Supplemental (Medigap) plans. The typical senior on Medigap is not wealthy—nearly half have annual incomes of less than $30,000.

AARP wants a permanent solution to the SGR formula, one that achieves a balanced and fair solution for all stakeholders—Medicare beneficiaries, physicians and other health care providers, insurers, and drug companies. AARP is ready to work with the Senate to improve this important bill.

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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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