

MICHAEL C. BURGESS, M.D.  
26TH DISTRICT, TEXAS

WASHINGTON OFFICE:  
1721 LONGWORTH HOUSE OFFICE BUILDING  
WASHINGTON, DC 20515  
(202) 225-7772  
[www.house.gov/burgess](http://www.house.gov/burgess)

Congress of the United States  
House of Representatives  
Washington, DC 20515-4326

COMMITTEE:  
ENERGY AND COMMERCE  
SUBCOMMITTEES:  
HEALTH  
ENERGY AND AIR QUALITY  
OVERSIGHT AND INVESTIGATIONS  
HOUSE REPUBLICAN  
POLICY COMMITTEE  
CHAIRMAN:  
MEDICARE AND MEDICAID  
SUBCOMMITTEE

September 26, 2006

**Be part of a lasting Medicare Solution**

**Establish a market-based system for paying doctors  
Improve patient access to care  
Find ways to make Medicare better in the future**

**Cosponsor H.R. 5866**

Dear Colleague,

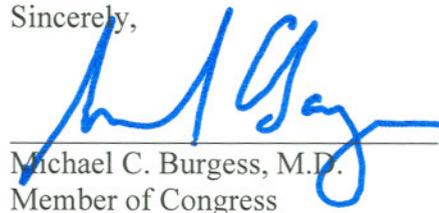
Without intervention, payment for physician services will be cut by 5.1 percent next year. The **Medicare Physician Payment Reform and Quality Improvement Act of 2006** ends application of the Sustainable Growth Rate on January 1, 2007 and institutes a single conversion factor: the Medicare Economic Index minus 1 percent. This creates a market based approach to physician payment by placing more value on actual cost inputs and not an arbitrary volume of services target each year. It helps ensure that physicians receive fair payment for services they provide.

Medicare needs more than a simple fix, though. Because medicine is constantly changing, we suggest an ongoing examination of Medicare funding. The board of trustees of the Federal Hospital Insurance Trust Fund and of the Federal Supplementary Medical Insurance Trust Fund will monitor different funding mechanisms to ensure that they align appropriately with the program goals. These should include: (1) whether or not there is a decrease in hospital services provided as outpatient services increase; (2) if there is a decrease in hospitalizations as a result of increased coordination between physicians and delivery of prescription drugs; and (3) to what extent cross-subsidization could occur between Part A, B, & D related services of Medicare without decreasing access to care.

Medicare imaging payment adjustments also need investigation. Under H.R. 5866, imaging adjustments will not take place until 2008. In the meantime, DHHS will contract with the Institute of Medicine to study utilization and appropriateness of imaging services. The study will particularly examine the role of medical malpractice (defensive medicine) and whether or not imaging actually saves money by limiting the need for subsequent treatment. The results of this study will be anticipated by April 1, 2007, and allow us to proceed intelligently.

We need your help to make real changes, create solutions, and stop simply talking about the Medicare problem. Cosponsor H.R. 5866 today. For more information, contact Josh Martin at 5-7772 or [josh.martin@mail.house.gov](mailto:josh.martin@mail.house.gov).

Sincerely,

  
Michael C. Burgess, M.D.  
Member of Congress

Cosponsors: Bonner [R-AL], Boustany [R-LA], Burton [R-IN], Carter [R-TX], Cuellar [D-TX], Davis [R-VA], Franks [R-AZ], Gerlach [R-PA], Gingrey [R-GA], Goode [R-VA], Granger [R-GA], Hall [R-TX], Hefley [R-CO], Kelly [R-NY], Kuhl [R-NY], Lucas [R-OK], Manzullo [R-IL], Marchant [R-TX], McCaul [R-TX], McCotter [R-MI], Murtha [D-PA], Musgrave [R-CO], Norwood [R-GA], Porter [R-NV], Rogers [R-MI], Rohrabacher [R-CA], Sessions [R-TX], Sullivan [R-OK], Thornberry [R-TX], Weldon [R-FL], Weldon [R-PA], Whitfield [R-KY]

DISTRICT OFFICE:  
1660 SOUTH STEMMONS FREEWAY  
SUITE 230  
LEWISVILLE, TX 75067  
(972) 434-9700

DISTRICT OFFICE:  
1100 CIRCLE DRIVE  
SUITE 200  
FORT WORTH, TX 76119  
(817) 531-8454