



**AMERICAN ACADEMY OF  
OTOLARYNGOLOGY—  
HEAD AND NECK SURGERY**

July 22, 2009

The Honorable Charles Rangel  
Chairman, Ways and Means Committee  
U.S. House of Representatives  
1102 Longworth House Office Building  
Washington, DC 20515

The Honorable Henry Waxman  
Chairman, Energy and Commerce Committee  
U.S. House of Representatives  
2125 Rayburn House Office Building  
Washington, DC 20515

The Honorable George Miller  
Chairman, Education and Labor Committee  
U.S. House of Representatives  
2181 Rayburn House Office Building  
Washington, DC 20515

Dear Chairmen Rangel, Waxman, and Miller:

On behalf of the 11,000 members of the American Academy of Otolaryngology – Head and Neck Surgery (AAO-HNS), I would like to express our appreciation to Congress for the inclusion of various physician-friendly provisions in H.R. 3200, “America’s Affordable Health Choices Act of 2009.” The AAO-HNS is the national medical association of physicians dedicated to the care of patients with disorders of the ears, nose, throat (ENT), and related structures of the head and neck. We are commonly referred to as ENT physicians.

Specifically, H.R. 3200 addresses the underlying problems with the Sustainable Growth Rate (SGR) formula used to calculate physician payments, resets the budget baseline for the Medicare physician payment rate system, and ensures that increased payments for primary care physicians are not financed through reductions to specialty physicians. Addressing the flawed SGR formula halts the impending 21.5% cut in Medicare reimbursements scheduled to occur on January 1, 2010. Also, including \$284 billion to reset the budget baseline will eliminate the need for Congress to revisit physician payment issues on an annual basis and help to appropriately reimburse physicians for the actual costs of treating America’s seniors.

Additionally, we applaud Congress for refraining from including a provision that would establish the Medicare Payment Advisory Commission (MedPAC) as an executive branch agency with nearly unilateral authority to determine payment and coverage policies and rates. Also, we are appreciative that the current bill does not include language that would remove CTs, MRIs, and PET scans from the list of services for which physicians can refer under the Stark in-office ancillary exception. The AAO-HNS would strongly oppose the inclusion of either of these proposals in the final committee draft.

Although the legislation includes some physician-friendly provisions, the AAO-HNS has concerns regarding the negative impact certain components of this bill would have on the delivery and quality of healthcare in the future. While our organization supports reasonable efforts to providing access to care for the 47 million uninsured Americans, the AAO-HNS is concerned that a government-run healthcare program would exacerbate a system which already interferes with the physician-patient relationship in critical healthcare decisions. Further, we are concerned that Congress or the Administration, in efforts to control costs, would be

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compelled to “ration” care and restrict patients’ choice of physician and treatment options. These concerns are compounded by the exploration of the role of the Government Accountability Office (GAO) in determining the quality of medical care and residency training programs.

The AAO-HNS is also concerned how the current committee draft and its financing components would impact our members, many of which are small business employers. Further, the legislation fails to include medical liability reforms that would help reduce rising practice expenses and the costs associated with defensive medicine.

Healthcare reform is a priority for the AAO-HNS, and we remain committed to working towards ensuring that all Americans have access to high quality healthcare at a reasonable cost. The AAO-HNS looks forward to continuing a constructive dialogue with Congress on comprehensive healthcare reform. However, we urge you not to yield to political pressures to adhere to a compressed time schedule for passage that may unfortunately compromise the effectiveness and sustainability of necessary improvements to our healthcare system, as well as jeopardize the overall acceptance of comprehensive reform by the American public. With any questions or concerns, please contact Erin LaFlair, Senior Manager of Congressional and Political Affairs, at 1-703-535-3793 or at [ELaFlair@entnet.org](mailto:ELaFlair@entnet.org).

Sincerely,

David R. Nielsen, MD  
Executive Vice President and CEO