



June 25, 2009

The Honorable _____
Address _____
District of Columbia 20515

Dear Representative / Senator _____,

OFFICERS

Gary Okamoto, MD
President

Robert Marvit, MD
President-Elect

Cynthia Goto, MD
Immediate Past President

Thomas Kosasa, MD
Secretary

Jonathan Cho, MD
Treasurer

April Donahue
Executive Director

Your upcoming decisions about the shape of national health care reform will impact every American. Now is the time for comprehensive solutions. As officers of Hawaii Medical Association, we appreciate your many efforts to help improve our health care system, retaining what works and reforming what doesn't. Our principal concern at HMA is the quality of care patients are receiving, patient safety, and appropriate access to, and utilization of, health care services.

As you know, our health care system is facing numerous crises. One is a steady decline in the number of physicians who will accept new Medicare patients. Some of our citizens, on reaching 65, are shocked to learn they cannot now access care. As baby boomers reach Medicare age, this problem will worsen, and it will be exacerbated in rural areas where family physicians are aging and retiring, and new family physicians are not taking their place. This is a quality of care issue, as continuity of care and appropriate clinical oversight are critical to the aging patient's health and well-being.

The increasing shortage of physicians, particularly primary care, and Medicare's current reimbursement structure could be addressed in ways that mitigate these problems. Currently, physicians are reimbursed for procedures, not for testing, counseling or preventive care. Meaningful improvements could be easier to effect by reforming the current system, in which changes under Medicare Part B must be budget neutral, that is, any changes in locality payments that increase reimbursement must be offset by decreases elsewhere.

Hawaii's Medicare reimbursements are particularly inadequate at covering the costs of sustainable medical practice, as the higher costs of living in Hawaii are not fully taken into account. We know it would be possible to improve our reimbursement climate, evidenced by Alaska's recent .5 increase (to a 1.5 floor on the geographic adjustment for physician work in Alaska, from Section 134 of Medicare Improvements for Patients and Providers Act - MIPPA). Additionally, abysmal Medicaid reimbursement is about to become significantly worse. Beginning 7/1/09, physician payments in Hawaii will decrease from 79.5% of 2006 Medicare rates to an estimated 60% of 2006 Medicare rates as funding from Act 284 expires.

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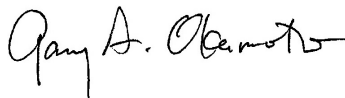
At a time when we are expanding the scope of Medicare and Medicaid, it is imperative to address these issues. HMA hopes you will help craft or support legislation that a) repairs Medicare's formula for reimbursements, including a repeal of the SGR; b) offers financial incentives to physicians who choose family practice medicine and physicians who practice in rural or underserved areas, such as funding of medical-school costs or assistance in repaying medical school loans; c) helps medical schools produce more primary care physicians; and d) is designed with input from the physician community, including the HMA and the American Medical Association. We are happy to provide additional information as needed.

We hope you will address another national issue affecting rural states. The American Recovery and Reinvestment Act provides funding for health information technology (HIT), whose adoption, for many reasons, has presented challenges to smaller rural practices and facilities. During CMS's 8th scope of work, 2005–2008, quality improvement organizations (QIOs), such as Mountain-Pacific Quality Health Foundation, assisted physicians' offices in selecting and fully utilizing the capabilities of electronic medical record systems. Quality improvement organizations continue to provide HIT assistance in helping physicians use electronic health record systems to track, promote and report preventive measures.

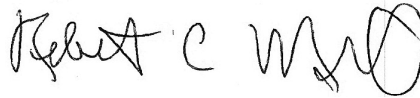
The experience QIOs have acquired as HIT consultants and our now established relationships represent a resource already available to ensure ARRA dollars produce their desired result. Therefore we ask that you support legislation engaging Mountain-Pacific and other QIOs in the national program for HIT adoption. Additionally we hope you will support health information exchanges, whose efforts at education, network creation and interoperability of systems are a natural supplement and support to the goals of the federal government.

Thank you for your commitment to the health of our state's citizens and for consideration of these requests. We look forward to the possibility of meeting with you during your upcoming break, and will be contacting your offices shortly. As always, we welcome any questions you may have at (808)-536-7702 or adonahue@hma-assn.org.

Best regards,



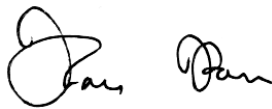
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