

July 29, 2009

## LETTER TO CONGRESSIONAL DELEGATION

The North Carolina Medical Society (NCMS), on behalf of its 12,000 members, commends the United States House of Representatives for establishing health system reform as a priority of the 111th Congress. The NCMS vigorously supports the need for addressing this fundamental issue affecting all Americans.

We recognize that our country faces both economic difficulties and health care challenges. Millions of Americans are uninsured or underinsured, which translates into less than adequate access to care. Many Americans seek care in the emergency room rather than from their primary care physician because of limitations to access and economic status. This is why we want constructive efforts to improve our healthcare system.

The NCMS emphasizes that it supports elements of the legislation that are consistent with our guiding principles for health system reform. We do not support H.R. 3200 in its current format. We are pleased to see that in this bill you have made it a priority to support:

- Preventive health and wellness initiatives to promote a healthier population
- Elimination of health insurance denials for pre-existing conditions
- Establishment of an accessible, nationwide network health insurance exchange
- Portability of health care insurance
- Elimination of the Medicare sustainable growth rate formula for paying for physician services

We strongly support legislation that strengthens the patient-physician relationship. We also applaud efforts to expand the availability of affordable health care coverage to the uninsured, to increase the physician workforce, and to increase Medicare payments for primary care services without reducing pay to other specialists.

We have grave concerns about any legislation that incorporates the following:

- A public option program
- Lack of meaningful tort reform
- Lack of clear physician-developed evidence-based guidelines
- Bundling of reimbursement
- Denial of care or rationing

- Lack of sound financing for any program
- Restrictions on physician-owned health care facilities
- Replacement of MEDPAC with IMAC

North Carolina physicians have major concerns with the establishment of any government or “public” run options based on Medicare rates. This undoubtedly will perpetuate cost shifting to the private sector plans, which will destroy their competitiveness and drive all Americans into a government run plan. This will not serve the American people well.

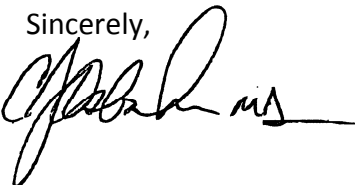
No major medical liability reform initiatives have been addressed. Costs of defensive medicine significantly contribute to the rising cost of health care. Until reform is enacted, the practice of defensive medicine will continue to exist. Implementing new quality performance standards alone, without true liability reform, will never eliminate the cost of defensive medicine.

Quality of care must be physician-directed since quality of care initiatives generated by payors are often “cost” driven, without significant clinical relevance, and truly fail to provide the needed fundamentals for improving the quality of care delivered. Quality of care standards for our patients must be established by physicians and never compromised by private insurance or public options in cost containment efforts.

North Carolina physicians place enormous importance on the patient-physician relationship and have major concerns with the establishment of any government or “public” run options. Any health care legislation should ensure that Americans have a choice of their health plan and physician, and a right to privately contract with that physician. Freedom to choose your physician and health plan is a fundamental and essential ingredient to any successful health reform initiative.

Since the NCMS was first established in 1849, it has been dedicated to improving the quality of health care, strengthening public health and improving access. The NCMS founded the Community Practitioner Program in the early 1990’s to help provide access to health care for the uninsured. This program has been responsible for placing over 335 physicians in the underserved areas of the state, resulting in over 17 million patient visits and \$236 million of free care provided since the program’s inception. Additionally, component county medical societies in Buncombe, Durham-Orange, Forsyth-Stokes-Davie, Guilford, Mecklenburg, and Wake have developed programs to provide health care for the uninsured.

We applaud the United States Congress for its effort to reform the American health care system and stand ready to assist our North Carolina delegation in its efforts to pass meaningful health system reform.

Sincerely,  


Albert J. Osbahr, MD  
President

AJO/ljc  
cc: NCMS Board of Directors  
Robert W. Seligson, EVP/CEO