

## **Media Statement**

April 1, 2009

### **Contact:**

Kris Deutschman  
916-444-8801 or 916-425-7174(c)  
[kris@kdcgroup.com](mailto:kris@kdcgroup.com)

# California Physicians Say Proposed Medicare Advantage Payment Changes Would Limit Care for Seniors

**Washington, D.C.** – Donald Crane, President and CEO of the California Association of Physician Groups (CAPG), released the following statement today on proposed changes to Medicare Advantage payments and the potential impact on physicians and Medicare Advantage beneficiaries:

“California physicians are deeply concerned about a decision being considered by CMS that would likely result in higher premiums and reductions in benefits to the 1.5 million seniors they care for who are enrolled in Medicare Advantage.

“The Medicare Advantage program provides essential support for primary care physicians and has resulted in improved care for seniors. Medicare Advantage plans help physicians to coordinate care, to more effectively treat patients with chronic illnesses, and to provide higher quality preventive care services for the country’s aging and special needs populations. A reduction in Medicare Advantage funding would drastically limit the ability of physicians to provide important health care services to seniors and disabled Americans, many on limited incomes, who count on Medicare Advantage.”

### **Background**

The “Advance Notice” issued by the federal Centers for Medicare & Medicaid Services (CMS) on February 20, proposed payment changes that could lead to up to a five percent reduction in Medicare Advantage funding. The final rates will be released on Monday, April 6. CMS calculated the payment update by assuming that physicians would actually get a 21 percent reduction in payment under Medicare called for in existing law. Congress has consistently voted to void this reduction in payment every year since 2003. In addition, the current Administration has made an assumption in its budget proposal that Congress will act again this year to avoid a reduction in Medicare physician payments. Given this information, CAPG is encouraging policymakers to get involved by adjusting the Medicare Advantage Update Factor for 2010 to account for a zero percent increase for physician payments rather than a 21 percent reduction.

### **About CAPG**

The California Association of Physician Groups (CAPG) represents groups that employ or contract with nearly 60,000 California doctors and provide care to 15 million Californians. CAPG is committed to improving health care for Californians and supports a progressive and organized system of health care delivery which focuses on coordinated treatment plans and comprehensive coverage, including the most current preventive services and exams. This allows physicians to focus on illness prevention and proactive management of patients in order to maintain their optimum level of health.  
[www.capg.org](http://www.capg.org).