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**Don't Let Doc Fix Add to Debt:
Updates to Physician Payments Must be Paid For
October 20, 2009**

Debate begins today on the Medicare Physician Awareness Act of 2009, a Senate bill that would sunset the "Sustainable Growth Rate" (SGR) and would provide for the update of the Medicare physician fee schedule. The Republican leadership is likely to push for amendments to the proposal that would offset the bill's costs. The Committee for a Responsible Federal Budget believes that if policy makers choose to reform the fee schedule, the costs should be fully offset.

"We can't just blindly add hundreds of billions of dollars to the debt," said Maya MacGuineas, president of Committee for a Responsible Federal Budget. "We are already hovering on the brink of a debt crisis. What are they doing — playing chicken with our creditors?"

"There is no reason we shouldn't be able to offset this fix" added MacGuineas. "The health care bills making their way through Congress [contain hundreds of billions in possible Medicare cuts](#), which could certainly be used."

The Committee strongly supports the view of Senate Budget Chairman Kent Conrad and others that Congress should not move forward with a bill on the SGR that will simply add to the debt. Recently he warned he would not support a Medicare physician payment fix without offsets.

The fix, if enacted, would replace the practice of enacting ad-hoc payment updates meant to avoid large cuts scheduled under current law. The cuts are a result of the 1997 implementation of the SGR, which has technically called for payments to be decreased every year since 2002 – including by 21 percent this coming year.

"We've put too much on the national credit card already," said MacGuineas. "The deficit last year was \$1.4 trillion – are we trying to top that? We need to get the debt under control. But in the meanwhile, paying for any spending increases or tax cuts should be considered the bare minimum, given the fiscal hole we already find ourselves in."