



December 14, 2009

The Honorable Russ Feingold
United States Senate
506 Senate Hart
Washington, DC 20510

Dear Senator Feingold:

We, the undersigned organizations, continue to support your strong efforts to reward and incentivize value in health care reform legislation pending in the United States Senate. However, we are united in our strong **OPPOSITION** to the recent effort to allow individuals aged 55-64 to “buy-in” to the Medicare program. While we have not seen the full details of the proposal, and while *we were encouraged by the weekend news coverage indicating that you were questioning the wisdom of this proposal, we want to be on record against any proposal that moves in this direction.*

As you point out in your letter to Majority Leader Reid, Medicare is an already broken system that fails to rein in unnecessary regional variation in spending or reward value while increasingly paying providers far less than the actual cost of care. Wisconsin hospital losses, for example, now approach \$1.5 billion annually. For this reason we believe that the current Medicare payment system is financially unsustainable and must not be expanded. Any plan to expand the government’s largest public plan (Medicare) beyond its current scope will compound our nation’s health care and economic crises. Rather, we should fix Medicare by moving it to a system that pays for high-quality, affordable care and then study that system before ever bringing more people in.

Conservatively, if just one-third of this age group with private insurance moves to Medicare through the “buy-in” provisions, Wisconsin hospitals would lose an additional estimated **\$300 million per year**. We believe that the impact on Wisconsin physicians and major physician groups would be at least that significant. We have not deviated in opposition to health care reforms that tie provider reimbursement to Medicare rates, and this new proposal is no different.

Medicare currently fails to pay our high performing organizations the actual cost of providing care. We appreciate your efforts to tackle that issue, but to now consider an approach that includes expanding Medicare – a program we know is already facing insolvency – is unwise and unsustainable. We urge you to oppose the Medicare buy-in provision and any others that move in this direction.

Sincerely,

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