

United States Senate

WASHINGTON, DC 20510

June 10, 2009

The Honorable Max Baucus, Chairman
The Honorable Charles Grassley, Ranking Member
Senate Committee on Finance
219 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Baucus and Ranking Member Grassley:

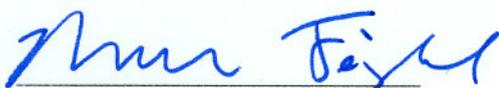
We appreciate your thoughtful commitment to realign Medicare spending towards quality and performance benchmarks within health reform legislation. This is a critical step to curb health care spending, and one that is not easily met. As you consider policy options for legislation, we respectfully ask that you keep states in mind that are already spending Medicare dollars efficiently and providing better health outcomes to patients. These "high efficiency" states are leaders in quality and performance standards, and we urge you to protect such states from unnecessary cuts to reimbursement.

We are proud to represent regions and states that have demonstrated true leadership in lowering costs to Medicare and increasing quality outcomes for patients. Often known as "high efficiency" areas, health care systems in these regions utilize integrated systems and aggressive quality controls to provide Medicare beneficiaries better care for lower cost. Studies show that moving to a coordinated, integrated delivery system, as seen in high efficiency states, could save Medicare upwards of \$100 billion a year. In addition to the cost-savings, these high-quality, efficient hospitals and clinics have set a high bar for the rest of the country, and have served as the testing grounds for many of the proposals you have included in your policy options papers.

We strongly support efforts by the Finance Committee to use these health systems as a model for all Medicare providers to improve patient care and better manage taxpayer dollars. We also ask that any bonus or incentive payments tied to progress against quality benchmarks also take into account the high efficiency regions that have already met quality benchmarks. This would ensure equitable opportunity for their efforts and help address decades of proportionally lower Medicare payments to our states relative to low efficiency regions.

We hope to work with you on this important issue as you begin to negotiate policies for health reform legislation. Again, we are very thankful for your attention to this issue and your continued leadership in health care reform.

Thank you,



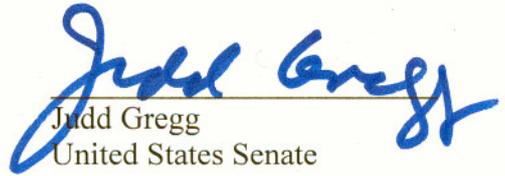
Russell D. Feingold
United States Senate



Amy Klobuchar
United States Senate



Herb Kohl
United States Senate



Judd Gregg
United States Senate



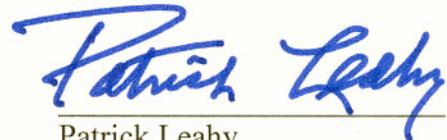
Susan Collins
United States Senate



Mark Warner
United States Senate



Mark Udall
United States Senate



Patrick Leahy
United States Senate



John Thune
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Michael Bennet
United States Senate



Ben Nelson
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