

## **Moving forward from the Sustainable Growth Rate System**

**ISSUE:** Policymakers face an extremely difficult challenge regarding future payments for Medicare's fee-schedule services. Under current law, Medicare's fees for these services are projected to decline more than 30 percent over the next several years, as required by the sustainable growth rate (SGR) system. This formulaic system for updating fee-schedule payments is considered by many to be fundamentally flawed. Eliminating it, however, carries a high budgetary cost.

**KEY POINTS:** This session will explore policy options for replacing the SGR system.

**ACTION:** Commissioners will discuss these policy options.

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