



September 23, 2022

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader
U.S. Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington, DC 20510

Dear Speaker Pelosi, Minority Leader McCarthy, Majority Leader Schumer, Minority Leader McConnell:

On behalf of the American College of Physicians (ACP), I am writing to urge the Congress to pass important legislation, preferably as part of the Continuing Resolution process, that will protect patient access to care by preventing year-end Medicare cuts impacting physicians in every state. Congress needs to act to preserve stability for physician-led care for Medicare beneficiaries and support physicians transitioning to a value-based health care system. Specifically, physician practices face arbitrary payment cuts related to budget neutrality (BN) in the annual fee schedule and a lack of inflationary updates in Medicare payments, which other sectors of the health care system are already scheduled to receive.

ACP is the largest medical specialty organization and the second largest physician membership society in the United States. ACP members include 160,000 internal medicine physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge, clinical expertise, and compassion to the preventive, diagnostic, and therapeutic care of adults across the spectrum from health to complex illness. Internal medicine specialists treat many of the patients at greatest risk from COVID-19, including the elderly and patients with pre-existing conditions such as diabetes, heart disease and asthma.

We are grateful that Congress passed S. 610, *the Protecting Medicare and American Farmers from Sequester Act*, in late 2021, which temporarily averted a nine percent cut in Medicare physician payments that was scheduled to take effect on January 1, 2022. Those cuts stem from a very complex set of budgetary rules and systemic flaws within the Medicare physician fee schedule that, unless addressed in a comprehensive way, will continue to plague physicians for years to come. Since S. 610 only provided temporary relief from some of the scheduled

Medicare cuts in 2022, Congress must act before the end of this year to ensure that these cuts do not take place again in 2023.

Additionally, ACP remains concerned about inherent flaws in the Medicare physician payment system, that have not only threatened to cut payments to physicians over the past several years but also have not provided payment updates consistent with inflation and more accurately reflect the cost of health care delivery. According to an [AMA analysis](#) of Medicare Trustees data, Medicare physician payment has decreased by 20 percent from 2001–2021 when adjusted for inflation. Unless Congress acts, a continuing statutory freeze in annual Medicare physician payments is scheduled to last until 2026, when updates would resume at a rate of 0.25 percent per year, well below inflation rates.

Lastly, Congressional action is also needed to maintain incentives that support physicians' transition from a volume-based fee-for-service health care system to one that is based on the value and quality outcomes of health care delivered to the patient. To further this effort, we ask that Congress preserve the payments made to practices that transition to alternative payment models (APMs).

We urge you to work in a bipartisan fashion to protect Medicare beneficiaries' access to care by passing the following legislation before the end of this year:

- H.R. 8800, the *Supporting the Medicare Providers Act of 2022*, that would negate the impact of a 4.42 percent budget neutrality cut on Medicare physician payment and coverage in 2023 and provide an important measure of stability for physicians and their patients next year. This bill also recognizes the need for Congress and the administration to work toward a longer-term solution that would promote and reward value-based payments and advance health equity.
- Legislation to end the Medicare physician payment annual freeze and provide an update to the physician fee schedule that is consistent with the Medicare Economic Index (MEI) update for the coming year. Physicians are the only health care professionals in Medicare who have not received updates that are adjusted with the cost of inflation.
- Legislation that would extend the five percent Advanced Alternative Payment Model participation incentive and halt the revenue threshold increase for five years to encourage more physicians to transition from fee-for-service into APMs.

As many physicians are still struggling with the financial challenges imposed by the COVID-19 pandemic and the lack of annual positive inflationary updates in their Medicare reimbursement, we urge the Congress to pass legislation that provides financial stability for our practices so that we can maintain access to care for our patients. We are counting on your support for these initiatives and stand ready to serve as a resource on any clinical matters where our expertise could be of benefit.

Sincerely,

A handwritten signature in black ink, appearing to be 'RDM', enclosed within a large, loopy oval shape.

Ryan D. Mire, MD, FACP
President

CC: Representatives Ami Bera, Larry Bucshon