

February 4, 2025

The Honorable Mike Johnson Speaker United States House of Representatives Washington, DC 20515

The Honorable Jason Smith Chair, Ways and Means Committee United States House of Representatives Washington, DC 20515

The Honorable Brett Guthrie Chair, Energy and Commerce Committee United States House of Representatives Washington, DC 20515

The Honorable John Thune Senate Majority Leader United States Senate Washington, DC 20510 The Honorable Hakeem Jeffries House Minority Leader United States House of Representatives Washington, DC 20515

The Honorable Richard Neal Ranking Member United States House of Representatives Washington, DC 20510

The Honorable Frank Pallone Ranking Member United States House of Representatives Washington, DC 20515

The Honorable Charles Schumer Senate Minority Leader United States Senate Washington, DC 20510

Dear Representatives Johnson, Jeffries, Guthrie and Pallone and Senators Thune and Schumer:

On behalf of the American College of Physicians (ACP), we strongly support passage H.R. 879, the Medicare Patient Access and Practice Stabilization Act, bipartisan legislation that protects access to care for Medicare beneficiaries and enables small, rural and independent physician practices to remain financially viable. This legislation would begin to curtail the cuts physician practices have faced over the last four years while they have experienced high inflation. We urge you to quickly enact this legislation.

ACP is the largest medical specialty organization and the second largest physician membership society in the United States. ACP members include 161,000 internal medicine physicians, 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. Additionally, internal medicine is the specialty with the largest number of

active physicians specializing in primary care, with 120,342 internal medicine physicians being identified as specializing in primary care in 2021.

## **Medicare Patient Access and Practice Stabilization Act**

On January 1, 2025, a 2.83 percent Medicare reimbursement cut went into effect for physicians due to a rule finalized by the Centers for Medicare & Medicaid Services (CMS) in November of 2024. Compounded with CMS' own estimates of a projected 3.6 percent increase in practice cost expenses for this year, physicians are facing a 6.43 percent cut unless Congress acts.

The Medicare Patient Access and Practice Stabilization Act, introduced by a bipartisan group of 10 House members, would stop the 2.83 percent cut to Medicare payments, while also providing a 2 percent payment update, aiming to stabilize physician practices and protect patients' access to care.

When adjusted for inflation, Medicare payment to physician practices has dropped 33 percent since 2001. According to the American Medical Association's analysis of data from the Medicare Trustees Report and the Federal Register, Medicare physician payments increased by only 7 percent between 2001 and 2025, or just 0.3 percent per year. Meanwhile, the cost of running a medical practice—which includes everything from office rent and staff salaries to electronic medical records and liability insurance premiums—rose by 59 percent. If Congress fails to act, the effect is likely to be most severe for small, independent and rural physician practices and those treating low-income or marginalized patient communities.

## Conclusion

ACP urges Congress to pass The Medicare Patient Access and Practice Stabilization Act. Similar legislation to The Medicare Patient Access and Practice Stabilization Act enjoyed bipartisan, bicameral support, but Congress failed to address the issue during the lame duck session. This legislation is vitally needed to help ensure continued access to care for Medicare patients and to help struggling practices keep up with the rate of inflation.

Please contact George Lyons, Jr., Director of Legislative Affairs, by phone at (202) 261-4531 or via email at glyons@acponline.org with any further questions or if you need additional information.

cc: Honorable Greg Murphy
Honorable John Joyce, M.D.
Honorable Mariannette Miller-Meeks, M.D.
Honorable Claudia Tenney
Honorable Carol Miller

Honorable Jimmy Panetta Honorable Raul Ruiz, M.D. Honorable Kim Schrier, M.D. Honorable Ami Bera, M.D. Honorable Raja Krishnamoorth