

July 27, 2022

The Honorable Ron Wyden
Chairman
Senate Finance Committee
U.S. Senate
Washington, DC 20510

The Honorable Mike Crapo
Ranking Member
Senate Finance Committee
U.S. Senate
Washington, DC 20510

The Honorable Richard Neal
Chairman
House Ways and Means Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin Brady
Ranking Member
House Ways and Means Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Frank Pallone
Chairman
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

The Honorable Cathy McMorris Rodgers
Ranking Member
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

Dear Chairs and Ranking Members:

On behalf of the undersigned organizations representing over one million physician and non-physician health care professionals and providers, we appreciate Congress' 2021 year-end legislative action to mitigate scheduled cuts generated by changes within the Medicare Physician Fee Schedule (MPFS). In particular, we strongly supported provisions in the "Protecting Medicare and American Farmers from Sequester Cuts Act" that provided a 3 percent positive adjustment to the MPFS conversion factor (CF) for 2022 to partially offset a scheduled reduction and averted an additional 4 percent Medicare payment reduction due to statutory pay-as-you-go (PAYGO) requirements. These critical payment reduction relief policies provided increased financial stability for Medicare clinicians and helped to ensure our nation's seniors maintained access to high-quality care, especially as the COVID-19 pandemic continued to present numerous challenges.

Unfortunately, Medicare providers face another round of significant payment cuts on January 1, 2023. The recently released Calendar Year (CY) 2023 MPFS Proposed Rule, once again, jeopardizes the financial stability of many physician and non-physician practices by proposing to cut the Medicare conversion factor — the basic starting point for calculating Medicare payments — by approximately 4.5 percent. These cuts, combined with the pending threat of the 4 percent PAYGO reduction, are simply not sustainable. The termination of the 2 percent sequestration moratorium in July 2022 is yet another compounding negative financial factor Medicare providers must navigate.

As a result, Congress must take further action to mitigate the scheduled reductions. These year-over-year cuts clearly demonstrate that the Medicare physician payment system is broken.

Systemic issues such as the negative impact of the MPFS's budget neutrality requirements and the lack of an annual inflationary update will continue to generate significant instability for health care professionals moving forward, threatening beneficiaries' timely access to essential health care services.

Our organizations welcome the opportunity to work together to establish a pathway for identifying policy solutions that will ensure long-term stability for the MPFS, and we remain committed to partnering with Congress to identify and advance necessary reforms. However, this will require both collaboration and a significant time investment. Millions of seniors rely on the Medicare program, and we must work to ensure it remains a robust and dependable option for those who need it the most, both in the short and long term.

In conclusion, we urge Congress to expeditiously pass legislation that provides *at least* a 4.5 percent CF adjustment for 2023 and waives the 4 percent statutory PAYGO requirement. In addition to staving off these immediate cuts, the legislation should also provide a one-year inflationary update based on the Medicare Economic Index. These important policy changes will undoubtedly provide our members with crucial short-term fiscal stability while simultaneously laying the foundation for necessary long-term payment reforms.

Sincerely,

Academy of Nutrition and Dietetics
Academy of Orthopaedic Physical Therapy
Alliance for Physical Therapy Quality and Innovation
Alliance for Recovery Care
Alliance of Specialty Medicine
Ambulatory Surgery Center Association
American Academy of Allergy, Asthma & Immunology
American Academy of Audiology
American Academy of Dermatology Association
American Academy of Facial Plastic and Reconstructive Surgery
American Academy of Family Physicians
American Academy of Hospice and Palliative Medicine
American Academy of Neurology
American Academy of Ophthalmology
American Academy of Oral and Maxillofacial Pathology
American Academy of Oral and Maxillofacial Radiology
American Academy of Otolaryngology- Head and Neck Surgery
American Academy of PAs
American Academy of Physical Medicine & Rehabilitation
American Association of Neurological Surgeons
American Association of Nurse Anesthesiology
American Association of Oral and Maxillofacial Surgeons
American Association of Orthopaedic Surgeons
American Chiropractic Association
American College of Cardiology

American College of Emergency Physicians
American College of Gastroenterology
American College of Mohs Surgery
American College of Obstetricians and Gynecologists
American College of Osteopathic Family Physicians
American College of Osteopathic Internists
American College of Osteopathic Surgeons
American College of Physicians
American College of Radiation Oncology
American College of Radiology
American College of Rheumatology
American College of Surgeons
American Gastroenterological Association
American Health Care Association/National Center for Assisted Living
American Medical Association
American Medical Group Association
American Medical Rehabilitation Providers Association
American Occupational Therapy Association
American Optometric Association
American Orthopaedic Foot & Ankle Society
American Osteopathic Association
American Physical Therapy Association
American Podiatric Medical Association
American Psychiatric Association
American Psychological Association
American Rhinologic Society
American Society for Dermatologic Surgery Association
American Society for Diagnostic and Interventional Nephrology
American Society for Gastrointestinal Endoscopy
American Society for Radiation Oncology
American Society for Surgery of the Hand
American Society of Anesthesiologists
American Society of Breast Surgeons
American Society of Cataract and Refractive Surgery
American Society of Colon & Rectal Surgeons
American Society of Echocardiography
American Society of Hand Therapists
American Society of Neuroradiology
American Society of Nuclear Cardiology
American Society of Plastic Surgeons
American Society of Retina Specialists
American Society of Transplant Surgeons
American Speech-Language-Hearing Association
American Urogynecologic Society
American Urological Association
Association for Clinical Oncology

Association for Freestanding Radiation Oncology Centers
Association for Quality Imaging
Association of American Medical Colleges
Association of Black Cardiologists
Association of Pathology Chairs
Brain Injury Association of America
CardioVascular Coalition
Clinical Social Work Association
Coalition of State Rheumatology Organizations
College of American Pathologists
Congress of Neurological Surgeons
Dialysis Vascular Access Coalition
Digestive Health Physicians Association
Emergency Department Practice Management Association
Heart Failure Society of America
Infusion Providers Alliance
Large Urology Group Association
Medical Group Management Association
National Association for the Support of Long Term Care
National Association of Rehabilitation Providers and Agencies
National Association of Social Workers
National Association of Spine Specialists
Outpatient Endovascular and Interventional Society
Private Practice Section of the American Physical Therapy Association
Radiology Business Management Association
Renal Physicians Association
Society for Cardiovascular Angiography and Interventions
Society for Vascular Surgery
Society of Interventional Radiology
Society of NeuroInterventional Surgery
Society of Nuclear Medicine and Molecular Imaging
The Society of Thoracic Surgeons
United Specialists for Patient Access

CC: US House of Representatives
US Senate