

LEGISLATIVE CONFERENCE

OCTOBER 16 - 18, 2022



Text for Stabenow/Barrasso Letter on Medicare Physician Payment

Dear Leader Schumer and Leader McConnell,

We write to express our serious concerns regarding the stability of Medicare payments to health care providers. Congress must address these vital payment challenges before the end of 2022 to ensure seniors continue to have access to care through a wide network of providers.

Multiple changes to physician and other provider payments are slated to go into effect starting January 1, 2023. We urge you to work with members on a bipartisan basis to address these imminent payment cuts. Going forward, we support bipartisan, long-term payment reforms to Medicare in a fiscally responsible manner.

Providers across the country are facing significant financial hardship due to higher practice costs and the impacts of COVID-19. Financial uncertainty due to pending payment cuts will only compound these challenges. It is essential in the coming weeks that we make sure providers have the resources they need to keep their doors open for seniors and families.

As you know, the Centers for Medicare and Medicaid Services (CMS) released their CY 2023 Physician Fee Schedule (PFS) rule on July 7, 2022. This rulemaking is bound by a statutory budget neutrality requirement, which requires that any projected increases to PFS spending resulting from policies in the rule be offset through policies elsewhere within the PFS.

We appreciate the past work of Senate leadership to address instability within the Medicare payment system. In the Consolidated Appropriations Act of 2021 (P.L. 116-260), Congress passed a 3.75 percent payment adjustment for physician services to ensure greater certainty for these providers. Congress extended this relief for 2022 through a subsequent 3 percent adjustment included in the Protecting Medicare and American Farmers from Sequester Cuts Act (P.L. 117-71). However, this provision is set to expire at the end of the year.

Failure to act in the coming weeks could result in reduced staffing levels and office closures, jeopardizing patient access to care. We are especially concerned about this impact in rural and underserved communities. Failure to act on longer-term reforms will undermine Medicare's ability to deliver on its promises to future seniors and generations.

We appreciate your past interest on this issue, and we look forward to working with you in the coming weeks to address access to care for our seniors.

Sincerely,