

REP. PALLONE WANTS BIPARTISAN EFFORT TO AVERT PHYSICIAN PAYMENT CUTS

House Energy & Commerce Chair Frank Pallone recently pledged to work with lawmakers from both parties moving forward to avert physician payment cuts, but the New Jersey Democrat said now's not the time to act given CMS just received comments on its 2022 Medicare Physician Fee Schedule (MPFS) proposed rule. Lawmakers from both parties want to eventually stop the cuts, but Democrats rejected a GOP bid this week to add a payment fix to the emerging budget reconciliation bill.

Meanwhile, physicians and lawmakers are also pressing CMS to back away from the cuts on its own.

The American Medical Association has estimated that certain providers could be looking at an almost 10% cut, unless lawmakers step in.

Some providers could see payment reductions in 2022 due to a variety of policies, from the end of the sequester moratorium to a phase-in of certain cuts tied to changes to evaluation and management payment under the MPFS and changes to clinical labor policies under the 2022 proposed rule, among others.

"I do not think this is the right time or place to address these issues," Pallone said, noting stakeholders' myriad concerns. "The comment period on the physician fee schedule only recently closed and the final rule is under development. I do think ensuring robust physician payment is an important issue...I look forward to working with stakeholders and members on these issues as we go forward."

The American Medical Association late last month raised alarm about the upcoming Medicare cuts and asked that the reconciliation package be used to instruct lawmakers to draft and mark up legislation to prevent a so-called pay cliff for physicians come January 2022.

A draft letter to congressional leadership said a short-term fix is needed to deal with payment instability while a longer-term solution for the Medicare payment system for providers is found. "We believe broad systemic reforms to the payment system are critical to speed the transition to value-based care. However, as Congress begins the complex process of identifying and considering potential long-term reforms, we must also create stability by addressing the immediate payment cuts facing health care professionals. These cuts will strain our health care system and jeopardize patient access to medically necessary services," a draft of the letter says.

Reps. Bobby Rush (D-IL) and Gus Bilirakis (R-FL), meanwhile, spearheaded a letter signed by more than 70 lawmakers sent directly to CMS urging the agency not to move forward with their proposed changes to the clinical labor policy in the 2022 MPFS proposed rule, as the changes could lead to up to 20% cuts for certain provider types. The lawmakers raised concerns in particular with the budget-neutral nature of CMS' proposed changes -- though the agency can't change the budget-neutral aspect of the rule.

"Considering that the second-order negative effects of MPFS 'budget neutrality' strongly outweigh incorporating new clinical labor data, we strongly recommend CMS not finalize the clinical labor policy at this time in the 2022 MPFS Final Rule," the lawmakers said. They also urged CMS to work with them to avoid the 3.75% cut that would come from phasing in the reductions tied to changes to evaluation and management payment changes.