

PHYSICIANS BACK BIPARTISAN HOUSE BILL TYING MEDICARE PAYMENT INCREASES TO MEI

Physicians support a bipartisan House bill that would tie annual Medicare payment raises for the sector to the Medicare Economic Index (MEI), saying recent reports from the Medicare Payment Advisory Commission (MedPAC) and the Medicare trustees back up their call for increased physician payment.

The Strengthening Medicare for Patients and Providers Act, introduced by Reps. Raul Ruiz, (D-CA), Larry Bucshon (R-IN), Mariannette Miller-Meeks (R-IA) and Ami Bera (D-CA) would set an annual Medicare Physician Fee Schedule payment increase tied to the MEI, which the lawmakers say would help tackle payment uncertainty and a possible physician shortage in Medicare.

Medicare payment reform topped many physicians' agenda this congress, and Rep. Bucshon earlier this year stated that the partial mitigation of physician payment cuts included in the last year's spending bill wasn't enough for physicians or to protect Medicare beneficiaries' access to care. The 2022 end-of-year omnibus spending package eased only 2.5% of the Medicare Physician Fee Schedule conversion factor cuts in 2023 and 1.25% in 2024 — leaving about 2% of the cut to kick in January 1, 2023. The deal also included a one-year extension of the alternative pay model bonus but cut the bonus from 5% to 3.5%.

Under the Medicare Access and CHIP Reauthorization Act, physician payment raises have been frozen through 2025, and recent cuts were tied to a policy change from the Trump administration aimed at increasing payment for evaluation and management codes (e.g. office visits); that increase led to cuts due to the budget-neutrality requirements for the Medicare Physician Fee Schedule. Congress has stepped in every year to mitigate the cuts — at least in part — since 2020.