

LAWMAKERS MITIGATE PHYSICIAN PAYMENT CUTS FOR 2023

Lawmakers plan to ease 2.5 percent of the upcoming Medicare physician fee schedule conversion factor cuts in 2023 and 1.25 percent in 2024 as part of the wide-ranging year-end bill, according to lobbyists. This policy would leave physicians with a 2 percent payment reduction effective January 1st despite a months-long push from doctors for Congress to step in and fully remove the cut.

The American Medical Association (AMA) said it was disappointed that Congress would allow doctors to face a 2 percent payment cut in 2023. "We are deeply worried that many practices will be forced to stop taking new Medicare patients -- at a time when access to care is already inadequate. Congress must immediately begin the work of long-overdue Medicare physician payment reform that will lead to the program stability that beneficiaries and physicians need," AMA President Jack Resneck said in a statement.

CMS laid out a 4.5 percent cut to the conversion factor for 2023, and providers had pushed Congress to alleviate all of it, pointing in part to other sectors' inflationary update. But the Medicare Access and CHIP Reauthorization Act froze physician payment until 2026, and when that was combined with CMS' changes to evaluation and management policy, physicians were faced with conversion factor cuts under the budget neutral rule.

The deal also includes a one-year extension of the alternative payment model bonus, but cuts the bonus from 5 to 3.5 percent.

However, the deal would keep additional PAYGO cuts, tied to the cost of the American Rescue Plan, from going into effect for two years, effectively staving off an additional 4 percent cut until at least 2025.