

## AMA VOWS TO GO TO CONGRESS AFTER CMS PROPOSES TO CUT PHYSICIAN PAYMENT IN 2023

The American Medical Association (AMA) called CMS' proposal out Thursday, July 7th to cut physicians' Medicare payments in calendar year 2023 "harmful" and said it will ask Congress to stop the cuts from being finalized.

CMS' proposed 2023 Medicare Physician Fee Schedule (MPFS) includes a 4.42% reduction of the conversion factor, the starting point for calculating Medicare payments for physician services.

The proposed conversion factor for calendar year 2023 is \$33.08, a decrease of \$1.53 from the 2022 MPFS conversion factor of \$34.61. The conversion factor accounts for a statutorily required budget neutrality adjustment and the expiration of a 3 percent increase in physician payments for 2022 that was required by the Protecting Medicare and American Farmers from Sequester Cuts Act.

"It is immediately apparent that the rule not only fails to account for inflation in practice costs and COVID-related challenges to practice sustainability, but also includes a significant and damaging across-the-board reduction in payment rates," Jack Resneck, president of the AMA, said in a statement.

Anders Gilberg, senior vice president of government affairs at MGMA, said in a statement his organization "is incredibly concerned about the likely impact of the proposed 4.42% reduction to the conversion factor, especially in light of the financial uncertainty which medical groups have faced over the past two years stemming from the COVID-19 pandemic, inflation, and the staffing crisis."

Gilberg wrote that MGMA appreciates the extension of pandemic-era policies for medical group practices but said the proposed cut to the conversion factor would ultimately be detrimental to group practices and could lead them to accept fewer Medicare patients.

The Surgical Care Coalition, like AMA, said it would ask Congress to stop the proposed cuts.

"Year after year, CMS proposes cuts which put access to critical procedures at risk for millions of patients--often the very patients who are most in need of care," Patricia Turner, executive director of the American College of Surgeons, said. "Today's proposed rule underscores the continued disinvestment in patient care, and the Surgical Care Coalition urges Congress to immediately stop these cuts to protect patients and work toward finding a long-term solution that promotes quality care and investment."

Providers, hospitals, and others have been lobbying Congress for relief from potential Medicare payment cuts, asking for further relief in light of the continued impact of the COVID-19 pandemic.

CMS is also proposing to change its Medicare Economic Index (MEI) cost-sharing weights which would estimate base year expenses for providers using publicly available data from the U.S. Census Bureau Office of Physicians. The agency wrote that using the new method of determination would not change overall spending on MPFS but would likely result in significant changes to the costs of individual MPFS services.

"This proposed methodology allows for the use of data that are more reflective of current market conditions of physician ownership practices, rather than only reflecting costs for self-employed physicians, and will allow for the MEI to be updated on a more regular basis," the agency said in a fact sheet.

The change in MEI calculation is not proposed for 2023, but comments on its potential future implementation are sought.

CMS is soliciting comments on several areas of care, including global surgical services and potentially underutilized Medicare services.

The proposal also includes making several telehealth services that are currently available on a temporary basis during the COVID-19 public health emergency available throughout 2023. Other telehealth policies are proposed to be extended until 151 days after the PHE ends to ensure a smoother transition.

Other areas where changes are proposed include evaluation and management visits.

CMS will continue with a four-year transition to new clinical labor pricing which began in 2022; the four-year time frame was introduced to blunt the impact of price cuts some providers will see. Some lawmakers and providers criticized the new pricing, saying it would affect patient access to intensive procedures.