

DANGER DANGER!



92% of medical groups report increased operating costs and are otherwise **struggling to remain financially viable**.

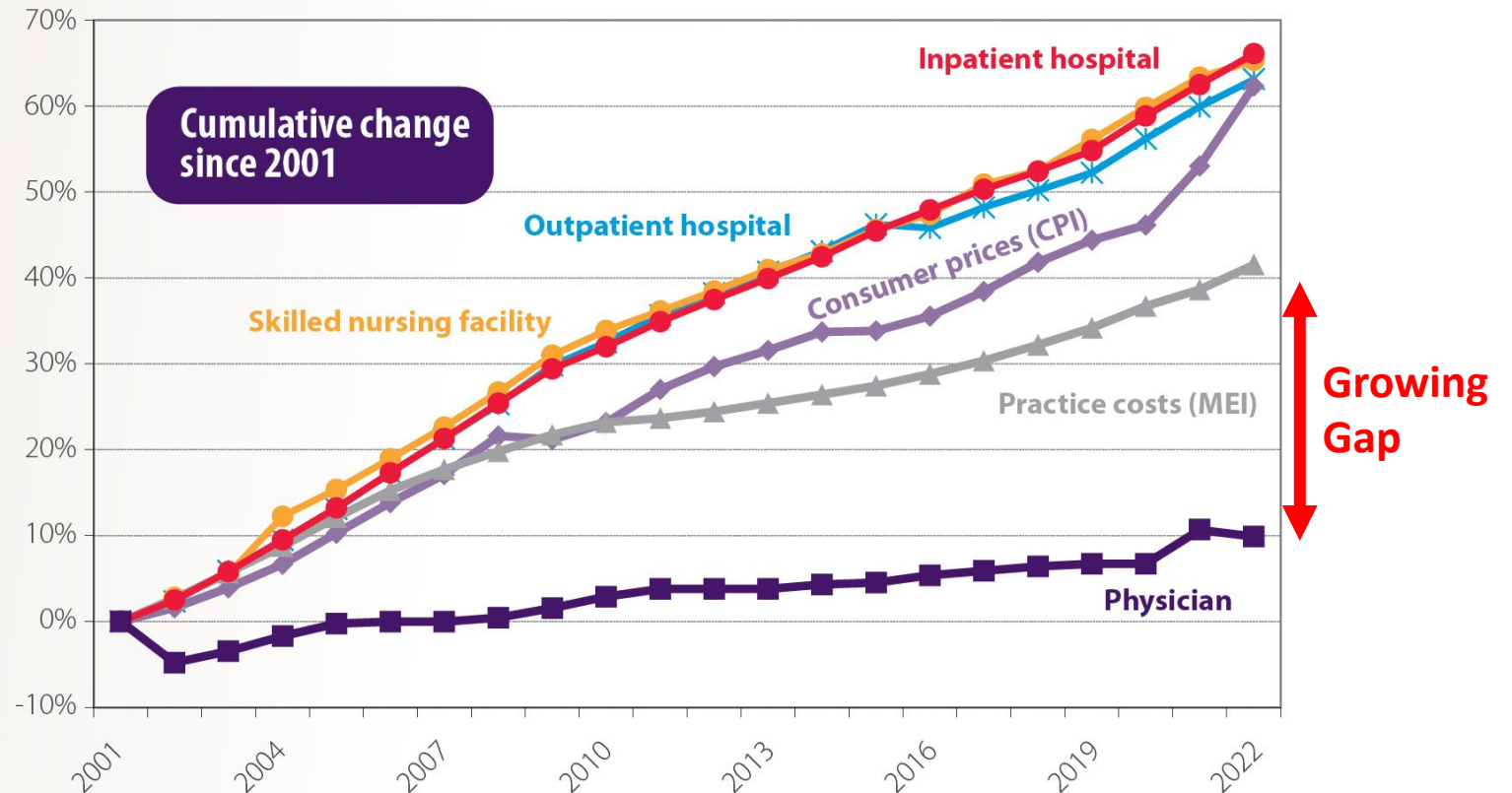
And yet, the CMS wants to CUT our reimbursement (Medicare Physician Fee Schedule) AGAIN in 2025 by 2.8% !

Our income (Medicare reimbursement) is **NOT** keeping up with our rising costs of doing business.

Medicare physician payment is **not** keeping up with inflation. Why are physician services taking a backseat?

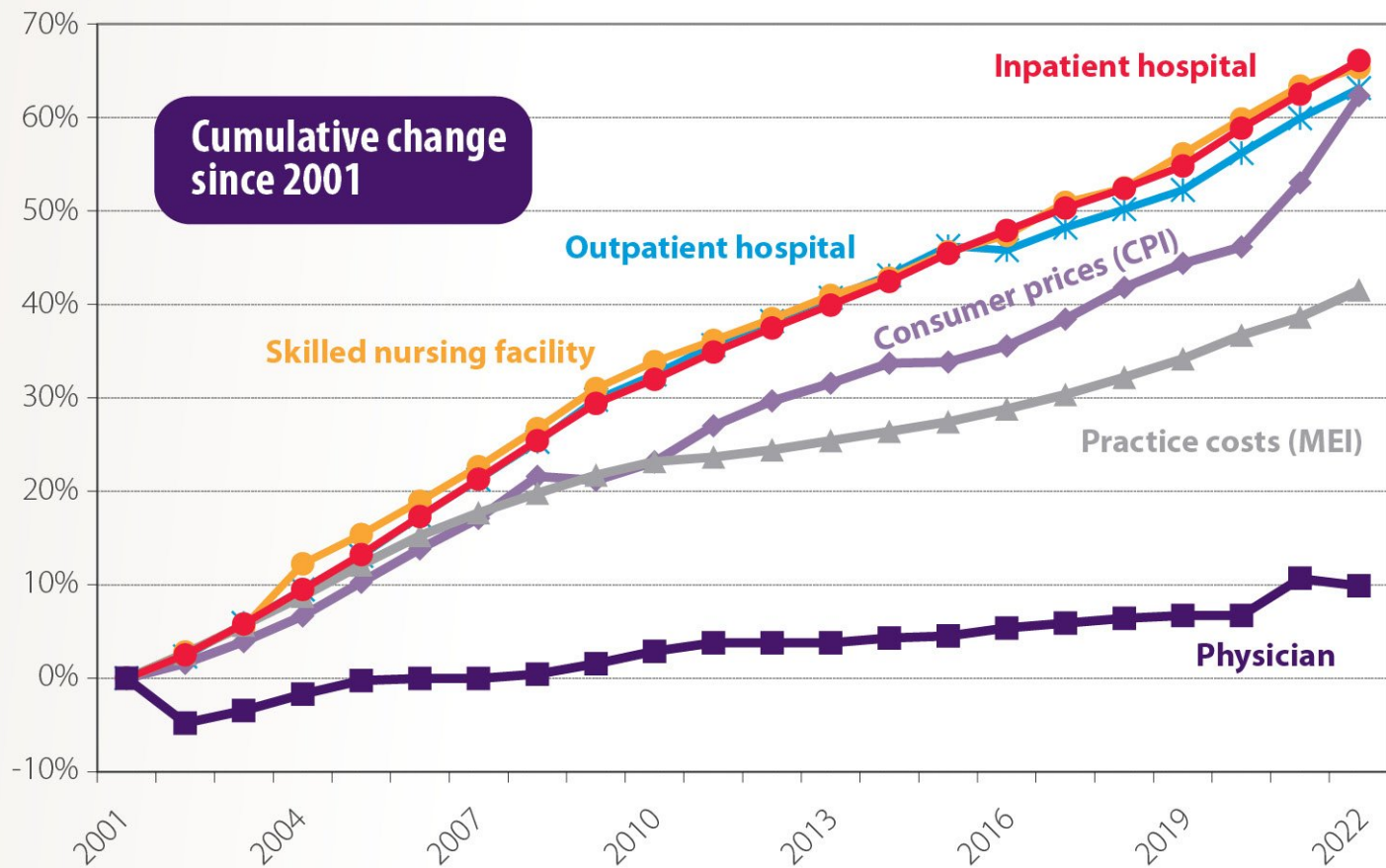
Medicare updates compared to inflation (2001–2022)

Adjusted for inflation in practice costs, Medicare physician payment declined 22% from 2001 to 2022.



Sources: Federal Register, Medicare Trustees' Reports and U.S. Bureau of Labor Statistics, American Medical Association, Economic and Health Policy Research, September 2022.

Why is this happening?



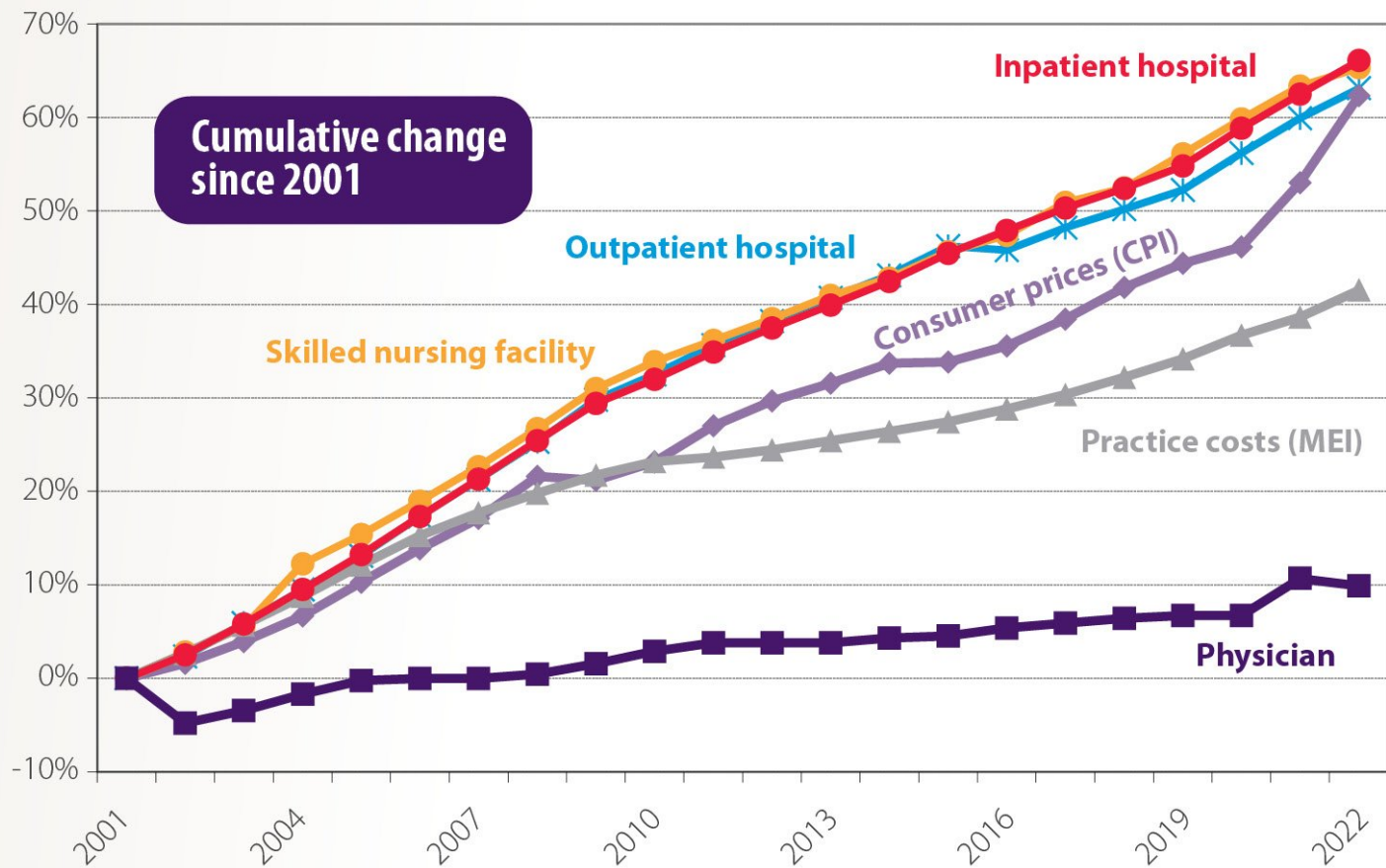
Sources: Federal Register, Medicare Trustees' Reports and U.S. Bureau of Labor Statistics, American Medical Association, Economic and Health Policy Research, September 2022.

Inpatient hospitals are getting a 2.8% to 4.2% INCREASE;
Outpatient hospitals/facilities are getting a 2.6% INCREASE.

Notice that both Inpatient and Outpatient hospital updates are well ABOVE inflation, while Physician Medicare payment updates are well BELOW inflation.

In fact, our MPFS reimbursement (excluding injection/infusion drug codes) has **DECREASED** by at least 29% since 2001.

Why is this happening?



Sources: Federal Register, Medicare Trustees' Reports and U.S. Bureau of Labor Statistics, American Medical Association, Economic and Health Policy Research, September 2022.

If Congress doesn't act, many of the 92% of medical groups we talked about on Slide 1 may have to close.

Twenty years ago, greater than 70% of physicians were in private practice. Today, fewer than 30% of physicians are in private practice.

MedPAC (Medicare Payment Advisory Commission) says "...chronically inadequate Medicare payment rates will eventually take a toll on older adults' access to high-quality care."

We Must Fight Back



NORM Advocacy

Attend NORM's Virtual Town Hall Event (date and time TBD)



Grassroots Campaign

Mobilize physicians and their staffs to ACT NOW



US Senators and Representatives

Repeal the physician pay cut to preserve seniors' access to care!



NORM Resources

A sample letter will be posted to NORM Connect along with other templates and social media posts

Grassroots Campaign Letter

Subject: Please reverse the 2.8% Cut to the Medicare Physician Fee Schedule

Dear **Senator/Congressman**:

I am writing as rheumatology practice manager in your **district/state** urging you to halt the proposed Medicare physician reimbursement cuts that may go into effect in January. I am deeply concerned about the impact that these cuts could have on the financial stability of rheumatology practices and our continued ability to treat patients.

From 2001 to 2024, physicians have witnessed their Medicare reimbursements decrease up to 29% based on specialty, while other care settings, including hospitals and skilled nursing facilities, have received increases.

In July, the Centers for Medicare and Medicaid Services (CMS) released its proposed CY 2025 Medicare Physician Fee Schedule (MPFS). Without congressional action, rheumatology practices may face a 2.8% reduction to the MPFS conversion factor based on the proposed rule, starting in January.

With the current proposed decrease, and an expected increase of 3.6% in medical practice cost inflation, the proposed reduction is unsustainable, and patients are suffering. The downstream effects of these cuts have pushed some physicians to no longer accept new Medicare patients, participate with Medicare, and limit appointments for Medicare beneficiaries. This, coupled with the increasing specialty physician shortage will burden the growing population of patients seeking rheumatologic care for autoimmune diseases, especially in underserved communities. On average, new patients are waiting up to four months in urban areas and up to eight months in rural areas to see a Rheumatologist.

Twenty years ago, 70% of the physicians were in private practice; today, fewer than 30% of private practice physicians remain. This consolidation of care has led to less competition, greater expenses for patients, and alarming lower quality of care.

The MPFS is the only payment system within Medicare lacking an annual inflationary update, even though clinicians continue to deal with a wide range of shifting economic factors and managing resources to continue caring for patients in their communities. These large, destabilizing cuts must be averted to avoid beneficiaries experiencing disruptions in care.

While I appreciate that Congress provided partial mitigation for the CY 2024 MPFS cut in the *Consolidated Appropriations Act, 2024*, this is set to expire by the end of the year and does not address longer-term solutions to the flawed Medicare payment system.

Some congressional leaders have recognized the flaws in the current payment system by proposing legislative solutions: (1) the *Strengthening Medicare for Patients and Providers Act* (H.R. 2474), would update physician payment to inflation; (2) the *Provider Reimbursement Stability Act* (H.R. 6371) and the *Physician Fee Stabilization Act* (S. 4935), would make changes to the budget neutrality requirements. Substantive legislative reform to Medicare physician payment, like these, are necessary to ensure long-term stability and consistency in the MPFS.

Congress still has time to act before the end of the year. I am asking that you support the physician and patient community by reversing the proposed cuts, and by cosponsoring legislation to address long-term solutions to the Medicare payment system.

Best regards,



Scan here for an editable
version of the letter.

Where to Send Your Letter

Go to the following link: <https://www.house.gov/representatives/find-your-representative>

Enter your zip code and click “Find Your Rep by Zip.” Enter additional address information if prompted.

Click the mail icon underneath your representative’s picture. This will take you to a contact form.

Copy our letter into the message section or use your own wording to send them an email.

You should receive a confirmation back. It may take a few days.

Stay In Touch



It is so important to stay in touch with what is happening on Capitol Hill.

- Every Monday there is a Podcast by Matt Duckworth of Hart Health.
- It is no longer than 15 minutes. You will learn a wealth of information about what is happening that week.
- It is called “Health on the Hill.” You can look it up on your Podcast app.