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Congress Must Act to Prevent Further Damage to the Health Care System

WASHINGTON, DC—The proposed 2021 Medicare Physician Fee Schedule (PFS) issued by the Centers for Medicare & Medicaid Services (CMS) on August 3, 2020 failed to address a significant shift in physician and nonphysician payments. Due to the agency's inaction, organizations representing more than 350,000 physicians and 764,000 nonphysician health care providers across the United States, are urging Congress to pass legislation to stop arbitrary Medicare cuts to specialty physicians and nonphysician providers — including audiologists, physical and occupational therapists, and speech-language pathologists — to protect patient access to medically necessary services.

In late 2019, CMS announced new Medicare payment policies for office and outpatient visits — also known as evaluation and management (E/M) services — billed by physicians and some nonphysician providers. These changes go into effect beginning on January 1, 2021 and will result in cuts of up to 10 percent or more for certain specialties. Due to Medicare's budget-neutrality requirements, physician, nonphysician, and institutional providers billing under the PFS will experience substantial payment reductions to offset payment increases to physicians and other providers who primarily deliver office-based services. These cuts will be devastating to a health care system that is already struggling and may lead to reduced access to care for older Americans and Americans with disabilities.

Our groups are calling on Congress and CMS to collaborate on developing a solution that will allow the changes to the E/M services to proceed, while at the same time preventing cuts to our health care professionals. Waiving budget neutrality requirements for the E/M policy is the most straightforward solution. It will provide a critical reprieve for a broad array of physicians and nonphysician health care providers facing substantial payment reductions in the coming months, while also allowing payment increases to go forward for those who provide E/M services to Medicare beneficiaries in a stand-alone office visit or outpatient setting.

As practices plan for 2021, they must anticipate and account for these cuts to their Medicare payment at a time when they are struggling with the devastating financial impact of the COVID-19 pandemic. If Congress fails to mitigate these cuts, decreases in Medicare payments will further exacerbate the problems occurring across the country with practices furloughing or cutting staff and an increasing number closing their doors. Of great concern is the impact that this will have on access to needed health care services, especially for beneficiaries in rural and underserved areas. Because, in the end, if these detrimental cuts are implemented, those who suffer the most will be patients.

American Academy of Audiology

American Academy of Dermatology Association

American Academy of Facial Plastic and Reconstructive Surgery

American Academy of Ophthalmology

Alliance for Physical Therapy Quality and Innovation

American Association of Neurological Surgeons

American Association of Orthopaedic Surgeons

American Chiropractic Association

American College of Obstetricians and Gynecologists

American College of Osteopathic Surgeons

American College of Radiation Oncology

American College of Radiology

American College of Surgeons

American Occupational Therapy Association

American Physical Therapy Association

American Psychological Association

Association for Quality Imaging

American Society of Cataract and Refractive Surgery

American Society of Colon and Rectal Surgeons

American Society of Hand Therapists

American Society of Plastic Surgeons

American Society for Radiation Oncology

American Society of Retina Specialists

American Society for Surgery of the Hand

American Speech-Language-Hearing Association

American Urological Association

Cardio Vascular Coalition

College of American Pathologists

Congress of Neurological Surgeons

Dialysis Vascular Access Coalition

Institute for Critical Care Foundation

National Association for the Support of Long Term Care

National Association of Rehabilitation Providers and Agencies

Private Practice Section of the American Physical Therapy Association

Society of Interventional Radiology

Society of Thoracic Surgeons