

February 18, 2022

The Honorable
Speaker
U.S. House of Representatives

The Honorable
Leader
U.S. House of Representatives

The Honorable
Majority Leader
U.S. Senate

The Honorable
Leader
U.S. Senate

Dear Speaker and Leaders

The undersigned national medical organizations, representing a broad range of physicians who care for Medicare beneficiaries in a community-based, office setting, are respectfully requesting Congress' help to address the steep reductions in Medicare payments that started on January 1, 2022, and will go through CY 2025. These cuts are the result of CMS' recent policy that updated the costs of clinical labor in the calculation of practice expense relative value units (RVUs).

These Medicare cuts are particularly harmful to the community-based practices that treat medically-complex patients whose conditions often put them at risk of severe health outcomes from COVID-19, and whose conditions have worsened due to delays in diagnosis and treatment as a result of the COVID-19 public health emergency. These cuts will also further exacerbate disparities in access to care and health outcomes among rural and minority populations by constraining - and in some cases preventing - these community-based practices from providing critical patient care to underserved populations. We urge Congress to act to ensure that Medicare beneficiaries are not harmed by these significant cuts.

The 20+ year-old Medicare physician fee schedule (MPFS) clinical labor rates must be updated to keep pace with increased wages that have been provided by office-based medical practices for clinical labor staff without a corresponding rate increase in the MPFS and in a manner that enables community-based specialty clinics to adjust staffing without impacting the quality of and access to necessary care. Unfortunately, CMS' clinical labor policy, intended to recognize the increased salary rates for all types of clinical labor (e.g., nurses and technologists), in net decreases reimbursement rates for services that incur large amounts of clinical labor expenses. Due to the budget neutrality constraints in the MPFS, the dramatic rise in direct practice expense costs resulting from the increase in clinical labor rates **decreases** reimbursement rates for those services with high supply and equipment costs when performed in a community-based office setting. Such drastic cuts will result in many beneficiaries losing timely access to essential health care services.

We urge Congress to act as soon as possible to mitigate these devastating cuts. Furthermore, we urge Congress to **add new funding to the MPFS for the explicit purpose of increasing the non-facility/office-based practice expense relative value units (NF PE RVUs) negatively impacted by CMS' recent clinical labor policy.**

The undersigned organizations have been encouraged by ongoing discussions with congressional leadership and staff, who acknowledge the need to address the steep cuts that resulted from the recent clinical labor update policy. We are grateful for Congress' commitment to ensuring greater stability within the MPFS and its desire to avoid significant disruptions in care for Medicare beneficiaries. Our organizations welcome the opportunity to work with Congress to address long-term challenges

associated with Medicare payment policy, especially the budget neutrality provision in the MPFS that has precipitated these steep cuts in community-based specialty care services. Your continued support of the health care needs of Americans with Medicare is appreciated.

Sincerely,

American College of Cardiology
American College of Radiology
American College of Surgeons
American Society of Nephrology
American Society for Radiation Oncology
American Urological Association
American Vein & Lymphatic Society
American Venous Forum
Renal Physicians Association
Society for Cardiovascular Angiography and Interventions
Society of Interventional Radiology
Society for Vascular Surgery
Society for Vascular Ultrasound

cc: U.S. Senate
U.S. House of Representatives