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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
CardioVascular 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