

Congress of the United States

Washington, DC 20515

October 11, 2024

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
H-232, The Capitol
Washington, D.C. 20515

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
H-204, The Capitol
Washington, D.C. 20515

Dear Speaker Johnson and Minority Leader Jeffries:

The undersigned bipartisan members of Congress write to urge you to expeditiously pass legislative fixes that not only stop another damaging round of cuts to Medicare payments, but also provide greater certainty and stability for clinicians serving Medicare beneficiaries. On July 10, the U.S. Centers for Medicare & Medicaid Services (CMS) released the Calendar Year (CY) 2025 Medicare Physician Fee Schedule (MPFS) Proposed Rule that includes provisions subjecting all physicians and other clinicians treating Medicare patients to a 2.8 percent payment cut.¹ In lieu of these harmful cuts, which, absent federal legislation, will take effect on January 1, 2025, Congress must pass a bill providing physicians and other clinicians with a payment update that takes into account the cost of actually delivering care to patients.

The scheduled 2.8 percent reduction represents the fifth consecutive year that CMS issued a fee schedule regulation that lowers payments to physician and other clinicians. While Congress has stepped in the past four years to pass legislation to mitigate portions of these cuts, the fact remains that the MPFS is inherently broken. Continued payment cuts undermine the ability of independent clinical practices — especially in rural and underserved areas — to care for their community, which reduces patient access to care. The continued cuts have forced medical groups and integrated systems of care to make difficult choices, such as imposing hiring freezes, delaying system improvements, delaying implementation of care model changes including transitions to value-based care systems, and possibly eliminating services.² Because healthcare often comprises a large percentage of employment in rural areas, the closure of independent practices not only lessens patient access to care but also jeopardizes the livelihood of rural Americans.

Medicare payment rates have fallen by 29 percent over the last two decades, when adjusting for the costs of running a practice.³ In addition, compliance with the Merit-based Incentive Payment System (MIPS) is expensive and a flawed, insufficient way to measure quality and costs of care that has resulted in steep and unfair penalties.^{4 5} These payment cuts and MIPS compliance costs also come on the heels of the extremely disruptive COVID-19 public health emergency and the Change Healthcare cyberattack.

¹ <https://www.cms.gov/newsroom/fact-sheets/calendar-year-cy-2025-medicare-physician-fee-schedule-proposed-rule>

² https://www.amga.org/getmedia/ee996ffa-d42e-4f8c-82ac-142875103761/2024_Medicare_Cuts_Survey_Results.pdf

³ <https://www.ama-assn.org/system/files/2024-medicare-updates-inflation-chart.pdf>

⁴ <https://jamanetwork.com/journals/jama-health-forum/fullarticle/2779947>

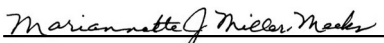
⁵ <https://jamanetwork.com/journals/jama/article-abstract/2799153>

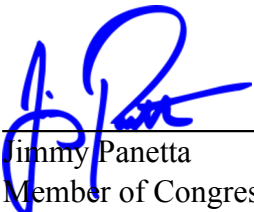
The CY 2025 MPFS Proposed Rule, however, highlights that the estimated cost of running a practice, such as expenses associated with paying rent, compensating clinical and administrative staff, and purchasing supplies and equipment, is estimated to increase substantially next year. This ever-widening gap between what Medicare pays physicians and other clinicians and the cost of delivering quality care to patients demands Congressional intervention.

Thankfully, bipartisan lawmakers have come together to propose several legislative solutions in pursuit of permanent relief from the long-term problems plaguing the Medicare payment system. We urge Congressional Leadership to move legislation to provide physicians and other clinicians with a permanent, annual inflationary update in Medicare equivalent to the Medicare Economic Index (MEI). We also request that you enact targeted reforms to statutory MPFS budget neutrality requirements, raise the current MPFS budget neutrality threshold to be reflective of 2024 dollars, require CMS to cross-check utilization assumptions associated with a narrow set of newly unbundled codes that trigger budget neutrality cuts to correct any misestimates, mandate CMS review key elements of practice expense costs concurrently and no less often than every five years, and limit changes to the MPFS conversion factor to no more than 2.5 percent in a given year. Some of these legislative solutions already passed by the Energy and Commerce Committee in 2023 with strong bipartisan support. In addition, we urge Congressional Leadership to utilize bipartisan offsets as we address all issues pertaining to Medicare payments to physicians and other clinicians.

Increased instability in the healthcare sector due to looming cost hikes impacts the ability of physicians and clinicians to provide the highest quality of care and threatens patient access to affordable healthcare. Rural physicians and other clinicians, as well as those treating underserved populations, are facing the most daunting challenge of trying to provide care in the wake of devastating reimbursement cuts. To prevent the very real scenario of insufficient access to physicians and other clinicians treating Medicare patients, Congress must stop the 2.8 percent payment cut from occurring in 2025, enact targeted reforms to statutory budget neutrality requirements, and provide physicians with a payment update reflective of inflationary pressures. We stand ready to work with you to pass crucial bipartisan legislative initiatives before the conclusion of the 118th Congress.

Sincerely,


Mariannette Miller-Meeks,
M.D.
Member of Congress


Jimmy Panetta
Member of Congress



Gregory F. Murphy, M.D.
Member of Congress



Raul Ruiz, M.D.
Member of Congress



Larry Bucshon, M.D.
Member of Congress



Kim Schrier, M.D.
Member of Congress



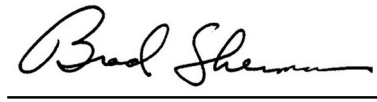
John Joyce, M.D.
Member of Congress



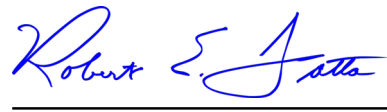
Ami Bera, M.D.
Member of Congress



Brian Fitzpatrick
Member of Congress



Brad Sherman
Member of Congress



Robert E. Latta
Member of Congress



Jefferson Van Drew
Member of Congress



Neal P. Dunn, M.D.
Member of Congress



Mike Bost
Member of Congress



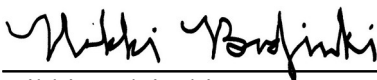
Glenn "GT" Thompson
Member of Congress



Brandon Williams
Member of Congress



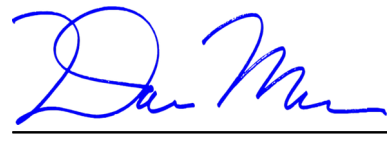
Sharice L. Davids
Member of Congress



Nikki Budzinski
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Katie Porter
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Dan Meuser
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David G. Valadao
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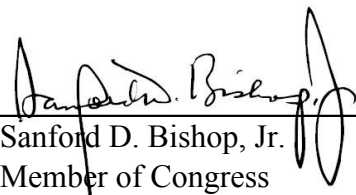
Sheila Cherfilus-McCormick
Member of Congress



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Sanford D. Bishop, Jr.
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Anthony D'Esposito
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Michael V. Lawler
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Robert J. Wittman
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Tracey Mann
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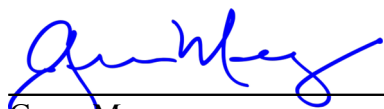
Michael Guest
Member of Congress



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Michael Waltz
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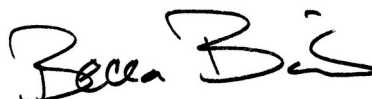
Darin LaHood
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Don Bacon
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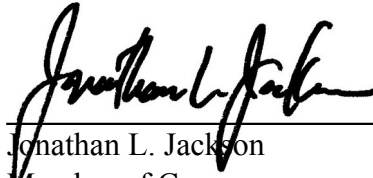
Ted W. Lieu
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Becca Balint
Member of Congress



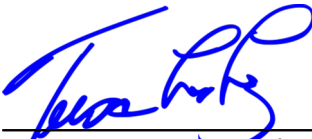
Marcus J. Molinaro
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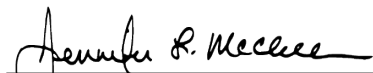
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Bonnie Watson Coleman
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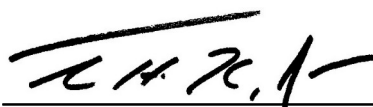
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Brian Babin, D.D.S.
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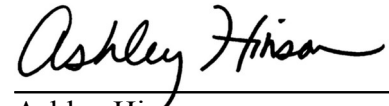
Angie Craig
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Michelle Fischbach
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Randy Feenstra
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Eleanor Holmes Norton
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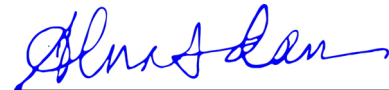
Greg Landsman
Member of Congress



Valerie P. Foushee
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Norma J. Torres
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Alma S. Adams, Ph.D.
Member of Congress



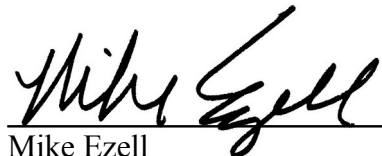
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Deborah K. Ross
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Adam B. Schiff
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Mike Ezell
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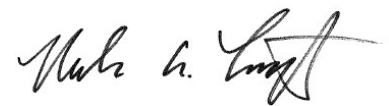
Mike Thompson
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Julia Brownley
Member of Congress



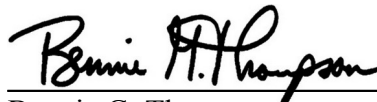
John Garamendi
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Nicholas A. Langworthy
Member of Congress



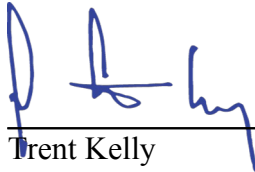
Ronny L. Jackson, M.D.
Member of Congress



Bennie G. Thompson
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Chrissy Houlahan
Member of Congress



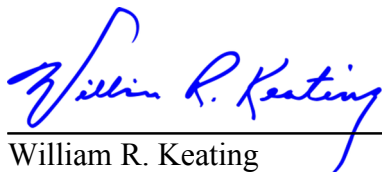
Trent Kelly
Member of Congress



Steve Cohen
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Andrew R. Garbarino
Member of Congress



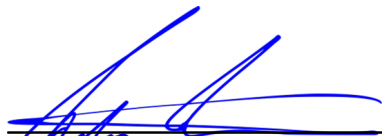
William R. Keating
Member of Congress



David Scott
Member of Congress



Charles J. "Chuck"
Fleischmann
Member of Congress



Adriano Espaillat
Member of Congress



Bradley Scott Schneider
Member of Congress



Steven Horsford
Member of Congress



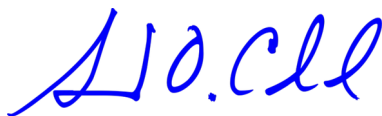
Zoe Lofgren
Member of Congress



Marc A. Veasey
Member of Congress



Mike Garcia
Member of Congress



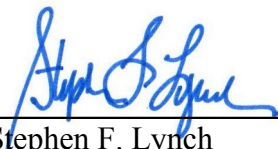
Salud Carbajal
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Brendan F. Boyle
Member of Congress



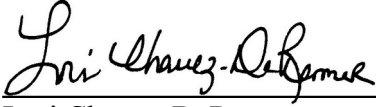
Marilyn Strickland
Member of Congress



Stephen F. Lynch
Member of Congress



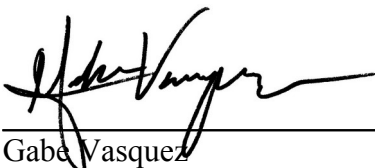
Andre Carson
Member of Congress



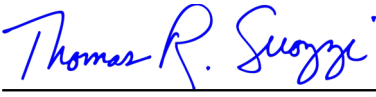
Lori Chavez-DeRemer
Member of Congress




Young Kim
Member of Congress




Gabe Vasquez
Member of Congress




Thomas R. Suozzi
Member of Congress



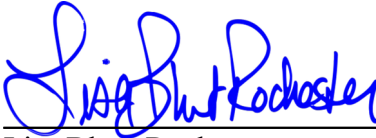
Dusty Johnson
Member of Congress




Henry C. "Hank" Johnson, Jr.
Member of Congress



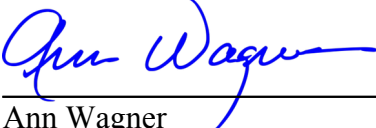
Greg Pence
Member of Congress




Lisa Blunt Rochester
Member of Congress



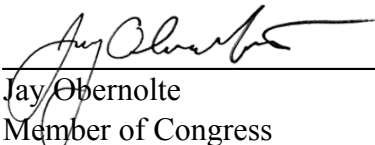
Joe Wilson
Member of Congress




Ann Wagner
Member of Congress




Erin Houchin
Member of Congress



Jay Obernolte
Member of Congress



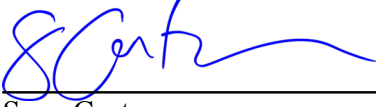
Gus M. Bilirakis
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J. Luis Correa
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Harriet M. Hageman
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Sean Casten
Member of Congress



Paul Tonko
Member of Congress



Garret Graves
Member of Congress




Eric Swalwell
Member of Congress



Harold Rogers
Member of Congress



Chris Pappas
Member of Congress



Andrea Salinas
Member of Congress



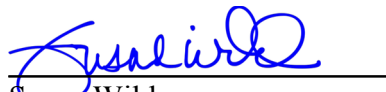
Alex X. Mooney
Member of Congress



Cliff Bentz
Member of Congress



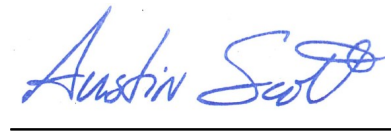
August Pfluger
Member of Congress



Susan Wild
Member of Congress



Andy Harris, M.D.
Member of Congress



Austin Scott
Member of Congress



Kathy Castor
Member of Congress



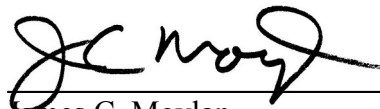
Nanette Diaz Barragán
Member of Congress




Henry Cuellar
Member of Congress



Donald Norcross
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James C. Moylan
Member of Congress



Ritchie Torres
Member of Congress



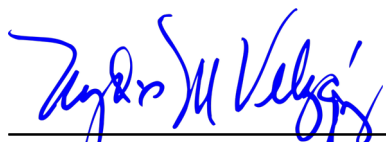
Shontel M. Brown
Member of Congress



Haley M. Stevens
Member of Congress




Michael A. Rulli
Member of Congress



Nydia M. Velázquez
Member of Congress





Yadira Caraveo, M.D.
Member of Congress





Jimmy Gomez
Member of Congress


Mike Quigley
Member of Congress

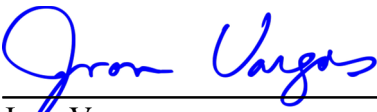

Barry Loudermilk
Member of Congress

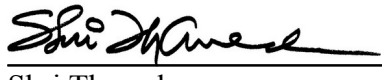

John R. Moolenaar
Member of Congress

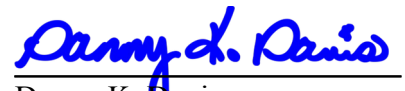

Tony Gonzales
Member of Congress

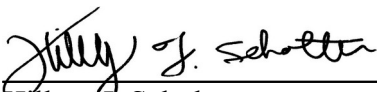

Michael K. Simpson
Member of Congress

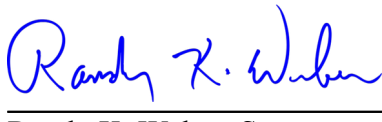

Steny H. Hoyer
Member of Congress



Juan Vargas
Member of Congress


Shri Thanedar
Member of Congress

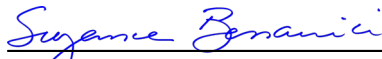

Danny K. Davis
Member of Congress

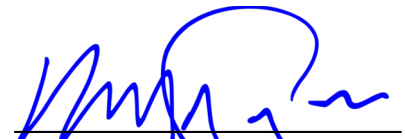

Hillary J. Scholten
Member of Congress



Randy K. Weber, Sr.
Member of Congress



Mike Levin
Member of Congress

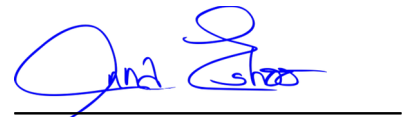

Debbie Lesko
Member of Congress

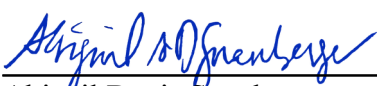

Suzanne Bonamici
Member of Congress

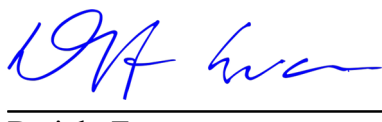

Mark Pocan
Member of Congress

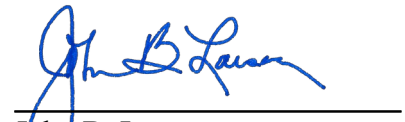

Derrick Van Orden
Member of Congress


H. Morgan Griffith
Member of Congress


Anna G. Eshoo
Member of Congress


Abigail Davis Spanberger
Member of Congress


Dwight Evans
Member of Congress


John B. Larson
Member of Congress



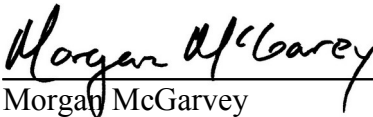
Dan Goldman
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Stephanie Bice
Member of Congress



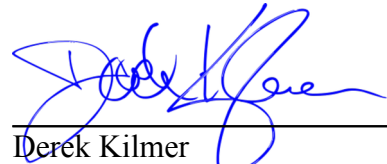
Zach Nunn
Member of Congress



Morgan McGarvey
Member of Congress



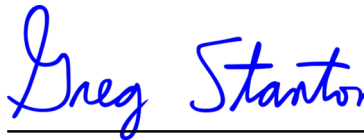
Maria Elvira Salazar
Member of Congress



Derek Kilmer
Member of Congress



Dan Newhouse
Member of Congress



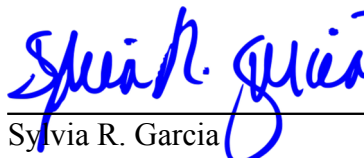
Greg Stanton
Member of Congress



Pete Stauber
Member of Congress



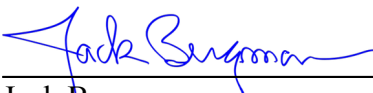
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Sylvia R. Garcia
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Brian J. Mast
Member of Congress



Jack Bergman
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Jerry L. Carl
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Jason Crow
Member of Congress



Andy Kim
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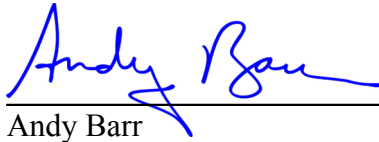
Madeleine Dean
Member of Congress



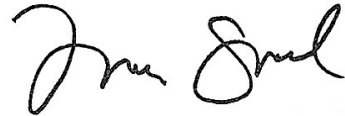
Aumua Amata Coleman
Radewagen
Member of Congress



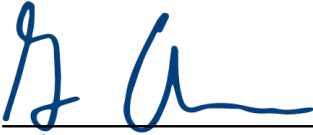
Dina Titus
Member of Congress



Andy Barr
Member of Congress



Michelle Steel
Member of Congress



Gabe Amo
Member of Congress



Jared Huffman
Member of Congress



Susie Lee
Member of Congress



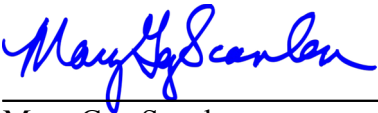
Emanuel Cleaver, II
Member of Congress



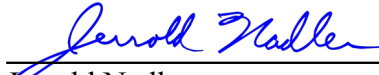
Tony Cárdenas
Member of Congress



Melanie Stansbury
Member of Congress



Mary Gay Scanlon
Member of Congress



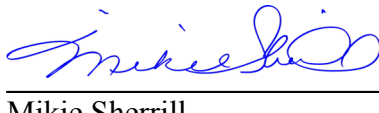
Jerrold Nadler
Member of Congress



Ann McLane Kuster
Member of Congress



Mary Sattler Peltola
Member of Congress



Mikie Sherrill
Member of Congress



Jasmine Crockett
Member of Congress



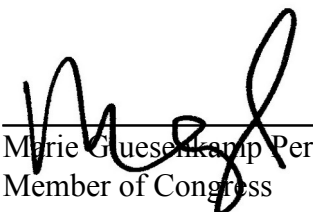
Vicente Gonzalez
Member of Congress



Robert B. Aderholt
Member of Congress



John James
Member of Congress



Marie Guesenken Perez
Member of Congress



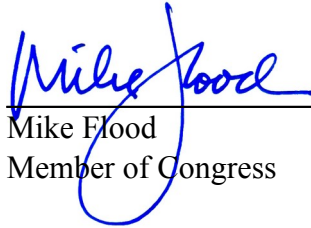
Tim Walberg
Member of Congress



Jake Ellzey
Member of Congress



Yvette D. Clarke
Member of Congress



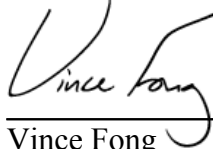
Mike Flood
Member of Congress



Rick Larsen
Member of Congress



Chellie Pingree
Member of Congress



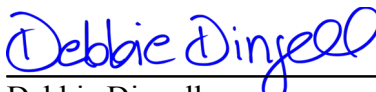
Vince Fong
Member of Congress



Sydney Kamlager-Dove
Member of Congress



Lance Gooden
Member of Congress



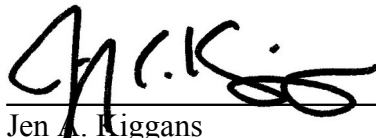
Debbie Dingell
Member of Congress



Grace F. Napolitano
Member of Congress



Ro Khanna
Member of Congress



Jen A. Riggans
Member of Congress



Monica De La Cruz
Member of Congress



Jennifer González-Colón
Member of Congress



C. A. Dutch Ruppertsberger
Member of Congress



Lois Frankel
Member of Congress



Val Hoyle
Member of Congress



Christopher H. Smith
Member of Congress



Judy Chu
Member of Congress



Lucy McBath
Member of Congress



David P. Joyce
Member of Congress



James P. McGovern
Member of Congress



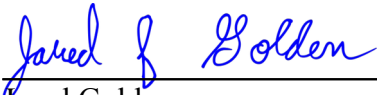
Morgan Luttrell
Member of Congress



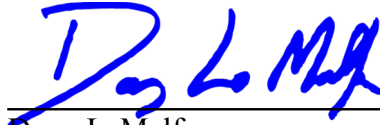
Elissa Slotkin
Member of Congress



Diana DeGette
Member of Congress



Jared Golden
Member of Congress



Doug LaMalfa
Member of Congress



Robert J. Menendez
Member of Congress