



## SHORT-TERM SOLUTIONS

### THE ISSUE:

The American College of Cardiology (ACC) is committed to developing and advancing solutions that will optimize the delivery of cardiovascular care, increase access to care, decrease health inequities in communities nationwide and improve patient outcomes and health. To achieve this, it is crucial to both eliminate the Centers for Medicare and Medicaid Services' (CMS) proposed 2.8% reduction to the 2025 Medicare Physician Fee Schedule (PFS) and to implement broader, long-term reforms that will address the systemic issues at play within the Medicare payment system.

Over the last 20 years, clinicians have experienced a 47% increase in practice expenses, while reimbursements have decreased nearly 30% in the same period. This unsustainable system inhibits clinicians' ability to effectively run their practices during a time when the nation is facing a significant health care shortage, limiting patients' access to necessary care, particularly impacting rural, senior and underserved populations. Clinicians have faced years of declining reimbursement and cannot sustain yet another 2.8% cut on top of 2% in 2024, nearly 2% in 2023, and 0.8% and 3.3% in 2022 and 2021.

### ACC'S POSITION:

Stagnant and declining payment for Medicare services exacerbates financial uncertainty for practices and worsens disparities in care delivery. Congressional action is necessary before the end of 2024 to eliminate the proposed 2.8% cut and mitigate the increasing financial pressures on clinicians. This is critical to ensure practices can keep their doors open, retain their staff and provide patients with ample access to care from the entire cardiac care team, who are integral in delivering high-quality patient care.

### ACC'S ASK:

Support the inclusion of language in any legislation that would eliminate the proposed 2.8% cut to physician payment in the 2025 Medicare PFS.

## KEY TAKEAWAYS



Clinicians are slated to see a 2.8% cut next year as proposed in the 2025 Medicare PFS that will harm patients and practices.



This cut is on top of a 2% reduction for 2024, a nearly 2% reduction in 2023, and cuts of 0.8% and 3.3% in 2022 and 2021.



Cardiology practices can expect to see a decrease of \$168 million in reimbursement if these cuts take effect in 2025, while practice expenses continue to match or exceed inflation levels.



## LONG-TERM REFORM

### THE ISSUE:

Each year, CMS releases its Medicare PFS, which inevitably includes yet another decrease in clinician reimbursement. Clinicians, like all Americans, have felt the effects of inflation and yet there is no mechanism within Medicare to ensure reimbursement keeps pace with inflationary trends. This, paired with a budget neutrality threshold that has not been updated since 1989, creates increasing financial pressure for clinicians providing care for U.S. seniors.

The **Strengthening Medicare for Patients and Providers Act** (H.R. 2474) aims to address this by updating the PFS conversion factor to be equal to the estimated percentage increase in the Medicare Economic Index (MEI). Additionally, the **Provider Reimbursement Stability Act** (H.R. 6371) and the **Physician Fee Stabilization Act** (S. 4935) both seek to increase the budget neutrality threshold from \$20 million to \$53 million, allowing CMS to increase payments to certain specialties, while minimizing reductions from others. Providing annual updates tied to inflation and increasing the budget neutrality threshold are vital steps to creating a more stable system for clinicians and patients.

### ACC'S POSITION:

Significant reductions in physician payment for Medicare services and a lack of inflationary update exacerbate financial uncertainty for medical practices and threaten patient access to care. The ACC urges Congress to work with the College and the broader medical community to create sustainable and long-term solutions to bring more stability to the system and ensure clinicians can focus on providing high-quality patient care.

### ACC'S ASK:

Cosponsor and support the **Strengthening Medicare for Patients and Providers Act** (H.R. 2474) introduced by **Reps. Larry Bucshon, MD, (R-IN)** and **Raul Ruiz, MD, (D-CA)** and the **Provider Reimbursement Stability Act** (HR. 6371) introduced by **Reps. Greg Murphy, MD, (R-NC)** and **Robin Kelly (D-IL)** in the U.S. House as well as the **Physician Fee Stabilization Act** (S. 4935) introduced by **Sens. John Boozman (R-AR)** and **Peter Welch (D-VT)** in the U.S. Senate.

## KEY TAKEAWAYS



CMS projects the MEI will increase 3.6% next year, yet clinicians will have to absorb increasing costs while payments decrease.



MedPAC recommended that Congress increase 2024 Medicare physician payments by linking the payment update to the MEI.



Ensuring that a built-in mechanism exists for an inflationary update would help clinicians keep pace with rising costs and remove the need for Congress to take legislative action each year to ensure reimbursement rates remain consistent.



The current \$20 million budget neutrality threshold has not been adjusted for inflation since its establishment in 1989.