



Championing Fair Medicare Reimbursement for Physicians

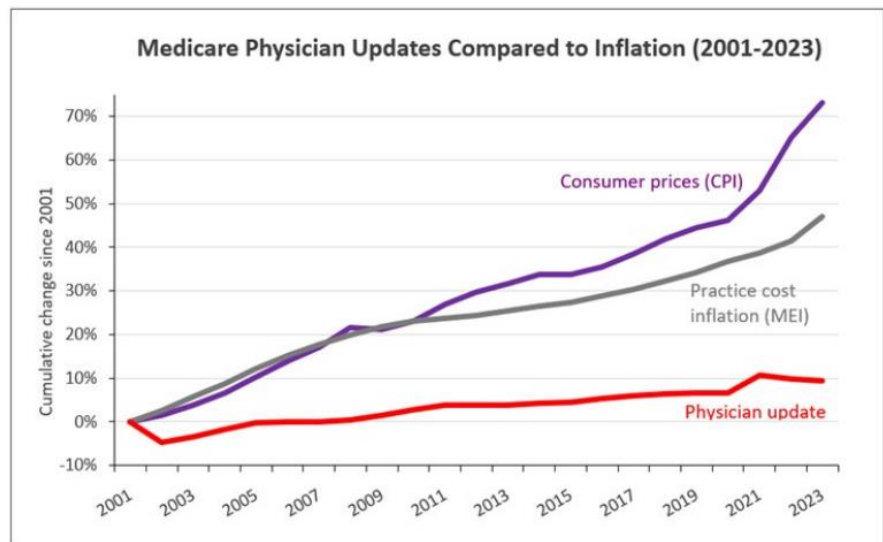
To protect Medicare patients' access to care and provide stability for physicians and their practices, the AAO-HNS urges Congress to create a long-term, sustainable, and fair solution for Medicare physician reimbursement.

We also urge passage of the *Strengthening Medicare for Patients and Providers Act* (H.R. 2474), which would provide much-needed financial stability for physician practices by tying Medicare payment to the Medicare Economic Index.

For more than 20 years, the Medicare payment system has failed to keep up with inflation and physician services have been perennial targets for cuts. **In fact, from 2001 to 2023, Medicare physician payment has effectively been cut by 26%, when adjusted for inflation.**

Furthermore, while Congress voted in December 2022 to provide some relief toward the scheduled 8.47% cut to Medicare payment for 2023, physicians were subject to a 2% cut to Medicare reimbursement in 2023. This reduction endangers Medicare beneficiaries' access to care and creates financial instability for physician practices.

Recognizing the urgent need to act, in March 2023, the Medicare Payment Advisory Commission (MedPAC) **recommended** for the first time that Congress tie physician payment levels to the Medicare Economic Index, which measures inflation in practice costs. This is an important first step in acknowledging that Medicare needs to work better for physicians and patients.



Sources: Federal Register, Medicare Trustees' Reports, Bureau of Labor Statistics, Congressional Budget Office

In the 118th Congress, the AAO-HNS and more than 130 health organizations **endorsed** the *Strengthening Medicare for Patients and Providers Act* (H.R. 2474). This bipartisan bill would provide much-needed financial stability for physician practices by tying Medicare payment to the Medicare Economic Index, thereby strengthening Medicare beneficiaries' access to care.

The AAO-HNS asks members of Congress to cosponsor H.R. 2474. Broad bipartisan support will signal to Congressional leadership the urgent need to modernize Medicare physician payment and strengthen access for Medicare beneficiaries.