

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>

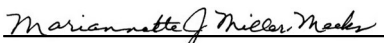
⁵ <https://jamanetwork.com/journals/jama/article-abstract/2799153>


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.
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Brad Sherman
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Robert E. Latta
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Jefferson Van Drew
Member of Congress



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



Mike Bost
Member of Congress



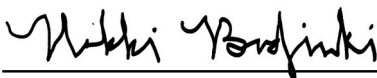
Glenn "GT" Thompson
Member of Congress



Brandon Williams
Member of Congress



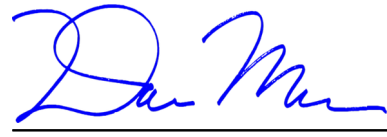
Sharice L. Davids
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Nikki Budzinski
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Katie Porter
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Dan Meuser
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David G. Valadao
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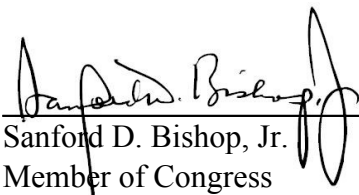
Sheila Cherfilus-McCormick
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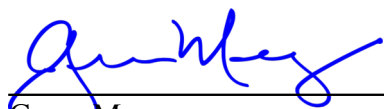
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Rich McCormick, MD, MBA
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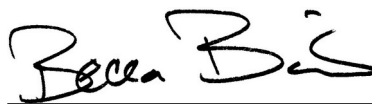
Darin LaHood
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Don Bacon
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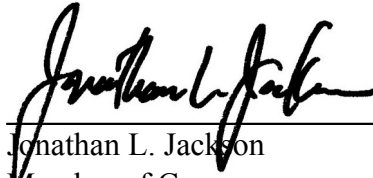
Ted W. Lieu
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Becca Balint
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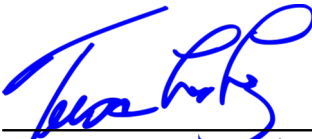
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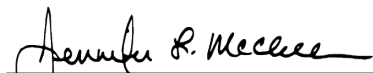
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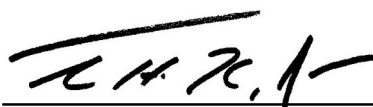
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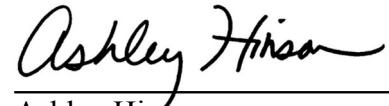
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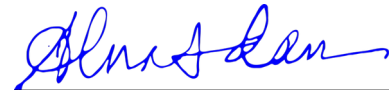
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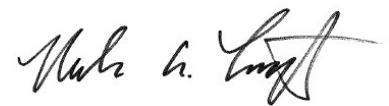
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Julia Brownley
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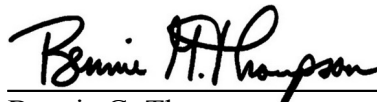
John Garamendi
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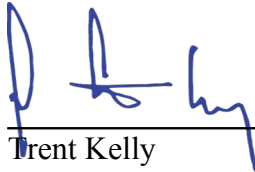
Ronny L. Jackson, M.D.
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Chrissy Houlahan
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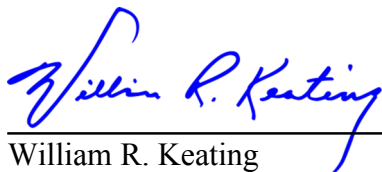
Trent Kelly
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Steve Cohen
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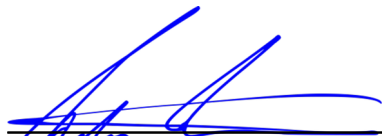
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David Scott
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Charles J. "Chuck"
Fleischmann
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Adriano Espaillat
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Bradley Scott Schneider
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Steven Horsford
Member of Congress



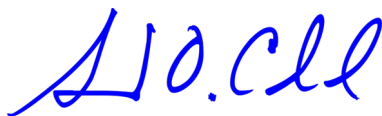
Zoe Lofgren
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Marc A. Veasey
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Mike Garcia
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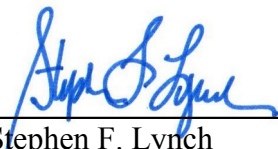
Salud Carbajal
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Brendan F. Boyle
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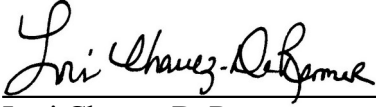
Marilyn Strickland
Member of Congress



Stephen F. Lynch
Member of Congress



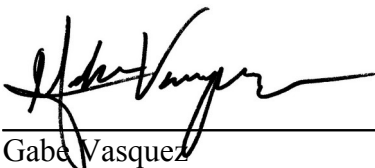
Andre Carson
Member of Congress



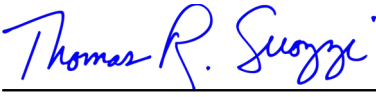
Lori Chavez-DeRemer
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Young Kim
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Gabe Vasquez
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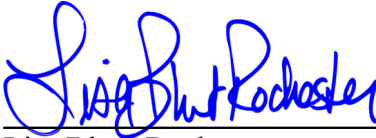
Dusty Johnson
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Henry C. "Hank" Johnson, Jr.
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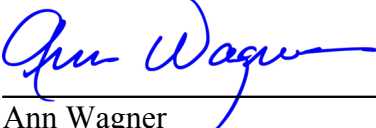
Greg Pence
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Lisa Blunt Rochester
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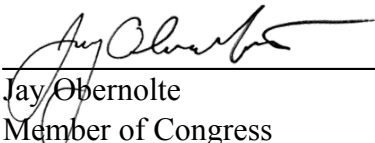
Joe Wilson
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Ann Wagner
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Erin Houchin
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Jay Obernolte
Member of Congress



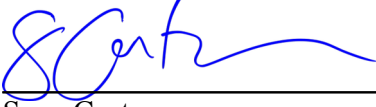
Gus M. Bilirakis
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J. Luis Correa
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Harriet M. Hageman
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Sean Casten
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Paul Tonko
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Garret Graves
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Eric Swalwell
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Harold Rogers
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Chris Pappas
Member of Congress



Andrea Salinas
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Alex X. Mooney
Member of Congress



Cliff Bentz
Member of Congress



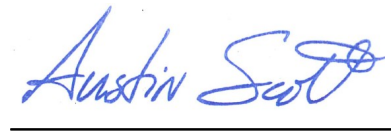
August Pfluger
Member of Congress



Susan Wild
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Andy Harris, M.D.
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Austin Scott
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Kathy Castor
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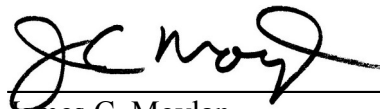
Nanette Diaz Barragán
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Henry Cuellar
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Donald Norcross
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James C. Moylan
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Ritchie Torres
Member of Congress



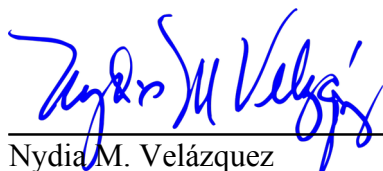
Shontel M. Brown
Member of Congress



Haley M. Stevens
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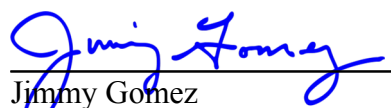
Michael A. Rulli
Member of Congress



Nydia M. Velázquez
Member of Congress

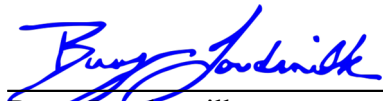



Yadira Caraveo, M.D.
Member of Congress





Jimmy Gomez
Member of Congress


Mike Quigley
Member of Congress

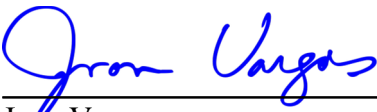

Barry Loudermilk
Member of Congress

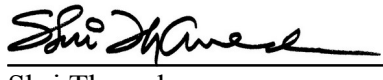

John R. Moolenaar
Member of Congress

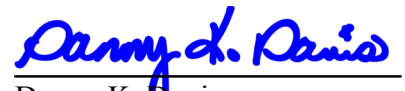

Tony Gonzales
Member of Congress

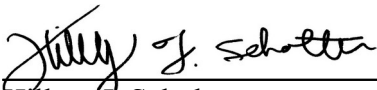

Michael K. Simpson
Member of Congress

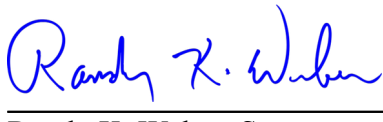

Steny H. Hoyer
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Juan Vargas
Member of Congress


Shri Thanedar
Member of Congress

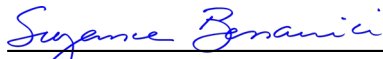

Danny K. Davis
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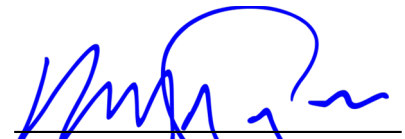

Hillary J. Scholten
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Member of Congress



Mike Levin
Member of Congress

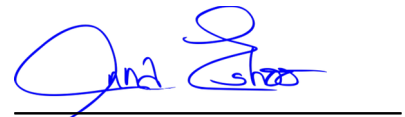

Debbie Lesko
Member of Congress

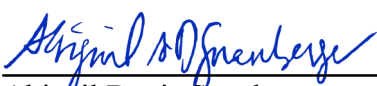

Suzanne Bonamici
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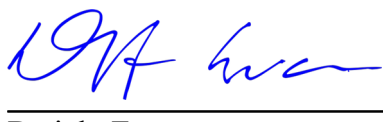

Mark Pocan
Member of Congress

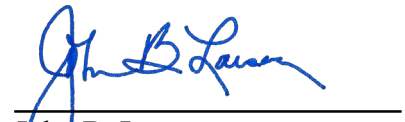

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Abigail Davis Spanberger
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Dwight Evans
Member of Congress

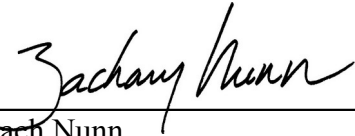

John B. Larson
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Member of Congress



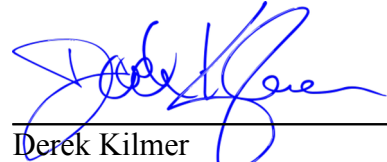
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Morgan McGarvey
Member of Congress



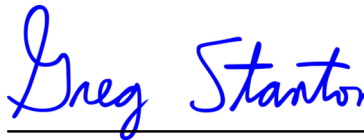
Maria Elvira Salazar
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Derek Kilmer
Member of Congress



Dan Newhouse
Member of Congress



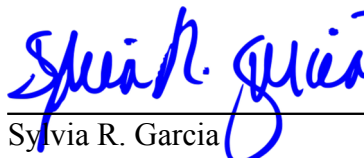
Greg Stanton
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Pete Stauber
Member of Congress



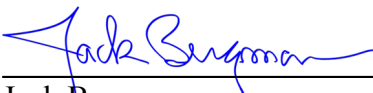
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Jerry L. Carl
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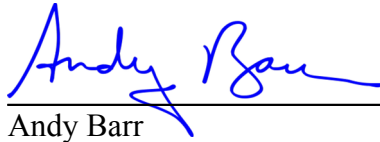
Madeleine Dean
Member of Congress



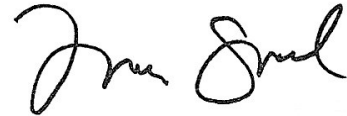
Aumua Amata Coleman
Radewagen
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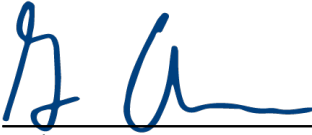
Dina Titus
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Andy Barr
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Michelle Steel
Member of Congress



Gabe Amo
Member of Congress



Jared Huffman
Member of Congress



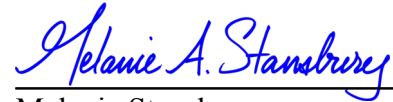
Susie Lee
Member of Congress



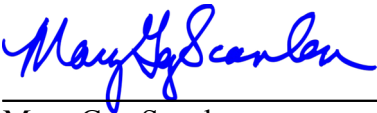
Emanuel Cleaver, II
Member of Congress



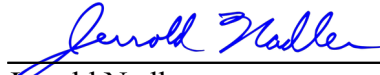
Tony Cárdenas
Member of Congress



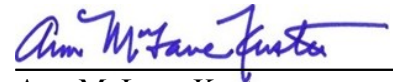
Melanie Stansbury
Member of Congress



Mary Gay Scanlon
Member of Congress



Jerrold Nadler
Member of Congress



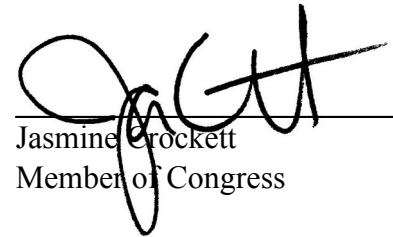
Ann McLane Kuster
Member of Congress



Mary Sattler Peltola
Member of Congress



Mikie Sherrill
Member of Congress



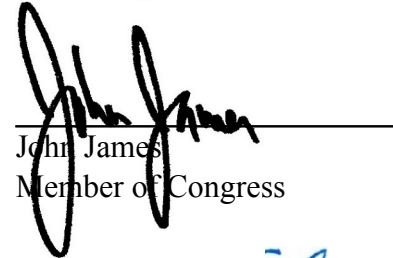
Jasmine Crockett
Member of Congress



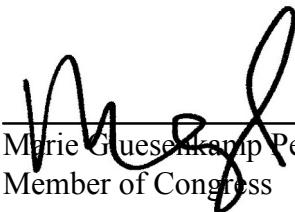
Vicente Gonzalez
Member of Congress



Robert B. Aderholt
Member of Congress



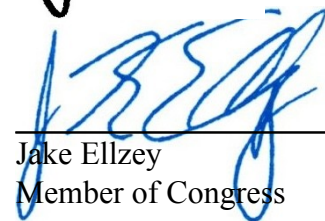
John James
Member of Congress



Marie Guese-Kemp Perez
Member of Congress



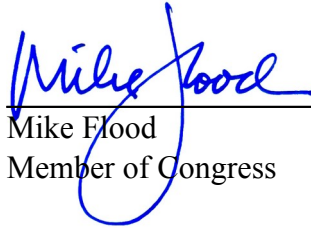
Tim Walberg
Member of Congress



Jake Ellzey
Member of Congress



Yvette D. Clarke
Member of Congress



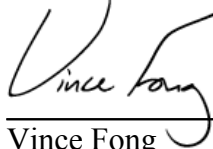
Mike Flood
Member of Congress



Rick Larsen
Member of Congress



Chellie Pingree
Member of Congress



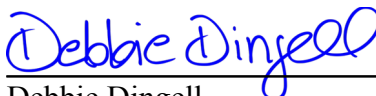
Vince Fong
Member of Congress



Sydney Kamlager-Dove
Member of Congress



Lance Gooden
Member of Congress



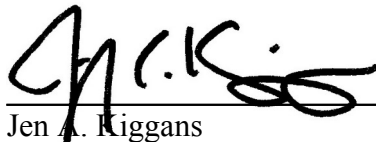
Debbie Dingell
Member of Congress



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



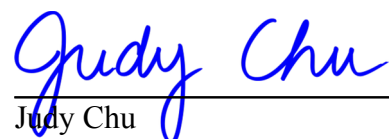
Lois Frankel
Member of Congress



Val Hoyle
Member of Congress



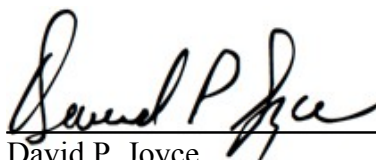
Christopher H. Smith
Member of Congress



Judy Chu
Member of Congress



Lucy McBath
Member of Congress



David P. Joyce
Member of Congress



James P. McGovern
Member of Congress



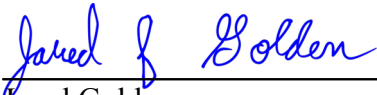
Morgan Luttrell
Member of Congress



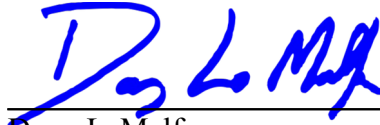
Elissa Slotkin
Member of Congress



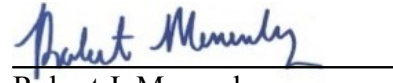
Diana DeGette
Member of Congress



Jared Golden
Member of Congress



Doug LaMalfa
Member of Congress



Robert J. Menendez
Member of Congress