

CONGRESSIONAL LEGISLATION TO PREVENT DRASTIC MEDICARE PAYMENT CUTS

As physicians continue to care for patients on the frontlines of the COVID-19 pandemic, cuts to physician payment for surgical services are looming. The Centers for Medicare & Medicaid Services (CMS) issued the Calendar Year (CY) 2021 Medicare Physician Fee Schedule (PFS) proposed rule — doubling down on a policy that will have drastic consequences for Medicare patients seeking surgical services at a time when physician practices are struggling to stay afloat. Starting January 1, 2021, CMS plans to increase the payment levels for stand-alone office and outpatient evaluation and management (E/M) visits, which will result in payment cuts for surgical services due to statutory requirements for budget neutrality under the PFS.

Congressional Ask

Members of Congress are urged to cosponsor the *Holding Providers Harmless from Medicare Cuts During COVID-19 Act of 2020, H.R. 8702* and support its final passage. Without congressional intervention, significant cuts to physician payment for most surgical services delivered to Medicare patients could destabilize health system financing and drastically diminish the opportunity for hospital and physician offices to recover financially from COVID-19.

Legislative Solution to Prevent the Cuts

U.S. Representatives Ami Bera, MD (D-CA), Larry Bucshon, MD (R-IN), Brendan Boyle (D-PA), George Holding (R-NC), Raul Ruiz, MD (D-CA), Phil Roe, MD (R-TN), Abby Finkenauer (D-IA), and Roger Marshall, MD (R-KS) introduced the *Holding Providers Harmless from Medicare Cuts During COVID-19 Act of 2020, H.R. 8702*, which would provide relief to health care professionals from the planned Medicare payment cuts for two years, while also maintaining the scheduled increases for E/M services. ***This bipartisan legislation would provide a critical lifeline to health care professionals and their practices during the COVID-19 pandemic.***

Hold Harmless Payment Adjustment

The legislation would create an additional relief payment in Section 1833 of the Social Security Act, which is a separate section from the Medicare PFS. The payment will equal the difference between the Medicare payment amount for a service in 2021 and 2022 and the amount the service was paid in 2020. By providing a relief payment outside of the PFS, this legislation allows for the relativity of services under the PFS to remain intact.

Eligibility for a Payment Adjustment

Surgeons and other health care professionals billing for services scheduled for significant payment cuts in 2021 and 2022, would be eligible for a payment adjustment to offset the cut.

Health care professionals billing for services scheduled for significant PFS payment increases in 2021 and 2022 are therefore not eligible for the additional payment. Specifically:

- E/M services with higher 2021 and 2022 payment rates than in 2020.
- Eligible E/M services, when paired with the GPC1X add-on code (for complex medical visits), would not be eligible for the additional relief payment. This is because the total payment for the service would be higher than it was in 2020.