December 5, 2024

The Honorable Mike Johnson
Speaker
United States House of Representatives
H-232, The Capitol
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader
United States Senate
S-221, The Capitol
Washington, DC 20510

The Honorable Mitch McConnell
Republican Leader
S-230, The Capitol
Washington, DC 20510

The Honorable Hakeem Jeffries
Democratic Leader
H-204, The Capitol
Washington, DC 20515

Dear Speaker Johnson, Majority Leader Schumer, Minority Leader McConnell, and Minority Leader Jeffries:

On behalf of the American Osteopathic Association (AOA), alongside the 41 undersigned osteopathic specialty and state associations collectively representing more than 197,000 osteopathic physicians (DOs) and osteopathic medical students, we write to urgently request that Congress pass legislation that addresses the pending cuts to physician payment and the looming expiration of key programs that are vital to the nation's health. Without federal legislation that addresses these issues, both patient access and the sustainability of the physician workforce will suffer.

Medicare Payment and Patient Access

The undersigned national osteopathic medical societies and state associations write to urgently request that Congress pass legislation to both prevent the scheduled 2.83 percent Medicare physician payment cut and, critically, provide a positive payment update for 2025. Absent Congressional intervention, this most recent cut, which was finalized in the Medicare Physician Fee Schedule (MPFS) Final Rule, marks the fifth consecutive year of reductions in Medicare physician payments.

This cut coincides with ongoing increases in the cost to practice medicine – which CMS acknowledges, as the projected increase in the Medicare Economic Index (MEI) for 2025 is 3.5 percent. Despite this cost increase, physicians will not receive an update reflective of inflation, unlike nearly all other Medicare providers and suppliers who receive annual inflationary payment updates. Conversely, Medicare payments to physicians have *declined* by 29 percent over the last two decades, when adjusted for inflation in practice costs. Without Congressional intervention, this imbalance will deepen the gap between rising practice costs and Medicare payment, straining the ability of physician practices to remain viable and serve Medicare patients.

In October, 233 of your colleagues from both parties signed a Dear Colleague letter led by Representatives Mariannette Miller-Meeks, MD[1] (R-IA) and Jimmy Panetta (D-CA)[2] urging expeditious Congressional action to address these critical issues. The letter emphasized the urgent

[1] https://millermeeks.house.gov/media/press-releases/miller-meeks-leads-232-house-members-address-doc-cuts-2025
[2] https://panetta.house.gov/media/press-releases/rep-panetta-leads-232-house-members-urging-action-address-doc-cuts-2025

need to stop the approximately 2.83 percent payment cut, reform budget neutrality requirements, and provide a payment increase that accounts for inflationary pressures in 2025. The strong, bipartisan support generated by the October letter reflects a shared commitment within Congress to safeguard Medicare and ensure seniors retain access to care.

We urge Congress to include legislation introduced by Rep. Greg Murphy (R-NC), the *Medicare Patient Access and Practice Stabilization Act of 2024* (H.R. 10073), in any year end package.[3] This bipartisan bill would replace the 2.83 percent cut with a 1.8 percent payment update, which is equivalent to half of the MEI increase forecasted for 2025. This update is the same amount recommended by the Medicare Payment Advisory Commission (MedPAC) to avoid problems with patient access to care in the Medicare program forecasted under the current payment system. By securing a positive update that aligns with a portion of rising practice expenses, Congress can provide essential stability for physicians in 2025 allowing time for comprehensive reform to the Medicare physician payment system to begin in earnest in the 119th Congress.

Congress must pass H.R. 10073 before the conclusion of the 118th Congress. This legislation will serve as a bridge to broader reform while averting an impending cut that threatens both practice solvency and patient access to care. As always, our organizations are ready to work alongside Congress to achieve lasting reforms that ensure a stable and equitable Medicare payment system.
We also urge Congress to return the alternative payment model incentive payment to 5 percent and extend the availability of these incentives. A key barrier to participation in alternative payment models by small and independent practices is the inability to afford the infrastructure and investment necessary to transform their practices and perform successfully. Extending the incentive payments will promote broader participation in models that improve care quality, promote care coordination, and support whole-person health.

Physician Workforce

As Congress considers the next steps on an end-of-year health care package, it is essential to secure the physician workforce and protect access to mental health care services. Both the Teaching Health Centers Graduate Medical Education (THCGME) program and the mental health programs funded in the *Dr. Lorna Breen Health Care Provider Protection Act* are due to expire at the end of this year.
The THCGME program is the only federal program that invests in the training of physicians in community-based settings rather than hospitals, and is essential to the future of the physician workforce. In the current academic year, more than 80 Teaching Health Centers operate in 30 states, training nearly 1,200 medical and dental residents who will cover more than one million patient visits this year.

As health deserts and access to care in rural and underserved areas worsens, the THCGME program is a key tool for attracting and retaining physicians in those communities. The Health Resources and Services Administration (HRSA) has found that **55% of THC graduates practice in underserved communities**, compared to 26% of traditional GME graduates; and **20% of THC graduates work**

[3] https://murphy.house.gov/media/press-releases/murphy-introduces-bipartisan-legislation-protect-medicare-physicians-and

in rural areas, compared to only 8% of traditional GME graduates. Moreover, the United States faces a projected physician shortage of up to 86,000 physicians by 2036. These shortages will likely be more dire in rural and underserved areas and will become more acute in the coming years without Congressional action.
We urge Congress to include a multi-year reauthorization of the THCGME program to ensure that active Teaching Health Centers have the stability necessary to train their medical residents, and allow for continued growth in both the number of programs and residents across the country.

Additionally, we ask for the reauthorization of the *Dr. Lorna Breen Health Care Provider Protection Act* (H.R. 7153/S. 3679) to be included in any end-of-year package. Since the COVID-19 public health emergency, physician burnout has worsened to all-time highs, which will exacerbate the already growing physician shortage across the country. The reauthorization of the bill would ensure the vital mental health programs it established will continue to be available to our healthcare workforce.

Coverage and Patient Access
As Congress considers the next steps for health care reforms, patient access to care should be front of mind. To that end, we urge you to include an extension of telehealth flexibilities, as well as reforms to coverage of chronic disease care and prior authorization. These reforms would present a significant step in the right direction toward long-term improvements to patient health and could result in reductions in overall spending as a result of a healthier population.

During the COVID-19 PHE, telehealth was a lifeline for patients. It not only ensured patients access to care, but kept both themselves and their physician safe. This was only possible because Congress took necessary steps to implement flexibilities that benefited all patients. Telehealth has been shown to decrease no-show rates for patients and improve continuous treatment of complex patients, which results in better care plan compliance, fewer emergency department visits, and reduced admission to inpatient units, decreasing the longitudinal cost of patient care. Telehealth can also help patients in rural and underserved communities with access to care. To ensure continued patient access and support longitudinal patient-physician relationships, we urge Congress to extend existing telehealth flexibilities.

Additionally, nearly 95 percent of adults aged 60 and older have at least one chronic illness or condition, and nearly 80 percent of the same cohort have two or more chronic conditions.[4] Over the next decade, the projected number of patients with at least one chronic condition is expected to double and encompass more than 142 million Americans by 2050, placing increasing strain on the U.S. healthcare system and workforce.[5] In order to ensure patients can receive the chronic disease care they need, we ask Congress pass the bipartisan, bicameral *Chronic Disease Flexible Coverage Act* (H.R. 2800/S. 3224). This essential legislation would codify flexibilities for health plans and employers to offer

[4] National Council on Aging. Chronic Inequities: Measuring Disease Cost Burden Among Older Adults in the U.S. A Health and Retirement Study Analysis. Page 5, Figure 2. April 2022. Accessed online at: https://ncoa.org/article/the-inequities-in-the-cost-of-chronic-disease-why-it-matters-for-older-adults.
[5] Ansah JP, Chiu CT. Projecting the chronic disease burden among the adult population in the United States using a multi-state population model. Front Public Health. 2023 Jan 13;10:1082183. doi: 10.3389/fpubh.2022.1082183. PMID: 36711415; PMCID: PMC9881650.

enhanced chronic disease prevention programs prior to patients meeting their deductibles. This legislation would empower health plans and employers to utilize the resources at their disposal to incentivize patients to be healthier and prevent chronic diseases that are incredibly costly to the health care system.

Finally, we ask Congress to pass the bipartisan, bicameral *Improving Seniors' Timely Access to Care Act* (H.R. 8702/S. 4532). This legislation passed the House unanimously during the 117th Congress and would streamline prior authorization requirements under Medicare Advantage plans. It would establish an electronic prior authorization standard in MA that will streamline requests from physicians, and reduce the amount of time patients wait for approval for their requests. In January of 2024, HHS finalized regulations that included many changes proposed in the original legislation, and this bill would not only make further improvements but would codify the progress we've made at no cost.

The AOA and our affiliates stand ready to assist you in securing the enactment of these policies. If you have any questions, or if the AOA can be of assistance in any way, please do not hesitate to contact John-Michael Villarama, MA, Vice President, Public Policy at jvillarama@osteopathic.org or (202) 349-8748.

Sincerely,

American Osteopathic Association
American Academy of Osteopathy
American College of Osteopathic Family Physicians
American College of Osteopathic Internists
American College of Osteopathic Neurologists and Psychiatrists
American College of Osteopathic Obstetricians and Gynecologists
American College of Osteopathic Pediatricians
American Osteopathic Academy of Orthopedics
American Osteopathic College of Dermatology
American Osteopathic College of Pathologists
American Osteopathic College of Physical Medicine & Rehabilitation
American Osteopathic College of Radiology
American Osteopathic Colleges of Ophthalmology & Otolaryngology-Head and Neck Surgery

Colorado Society of Osteopathic Medicine
Connecticut Osteopathic Medical Society
Florida Osteopathic Medical Association
Georgia Osteopathic Medical Association
Idaho Osteopathic Physicians Association
Illinois Osteopathic Medical Society
Indiana Osteopathic Association
Iowa Osteopathic Medical Association
Kentucky Osteopathic Medical Association

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Louisiana Osteopathic Medical Association
Maine Osteopathic Association
Maryland Association of Osteopathic Physicians
Massachusetts Osteopathic Society
Michigan Osteopathic Association
Minnesota Osteopathic Medical Society
Missouri Association of Osteopathic Physicians and Surgeons
New Jersey Association of Osteopathic Physicians and Surgeons
North Carolina Osteopathic Medical Association
Ohio Osteopathic Association
Oklahoma Osteopathic Association
Osteopathic Physicians and Surgeons of California
Osteopathic Physicians and Surgeons of Oregon
Pennsylvania Osteopathic Medical Association
Rhode Island Society of Osteopathic Physicians & Surgeons
Tennessee Osteopathic Medical Association
Texas Osteopathic Medical Association
Utah Osteopathic Medical Association
Virginia Osteopathic Medical Association
Wisconsin Association of Osteopathic Physicians & Surgeons