



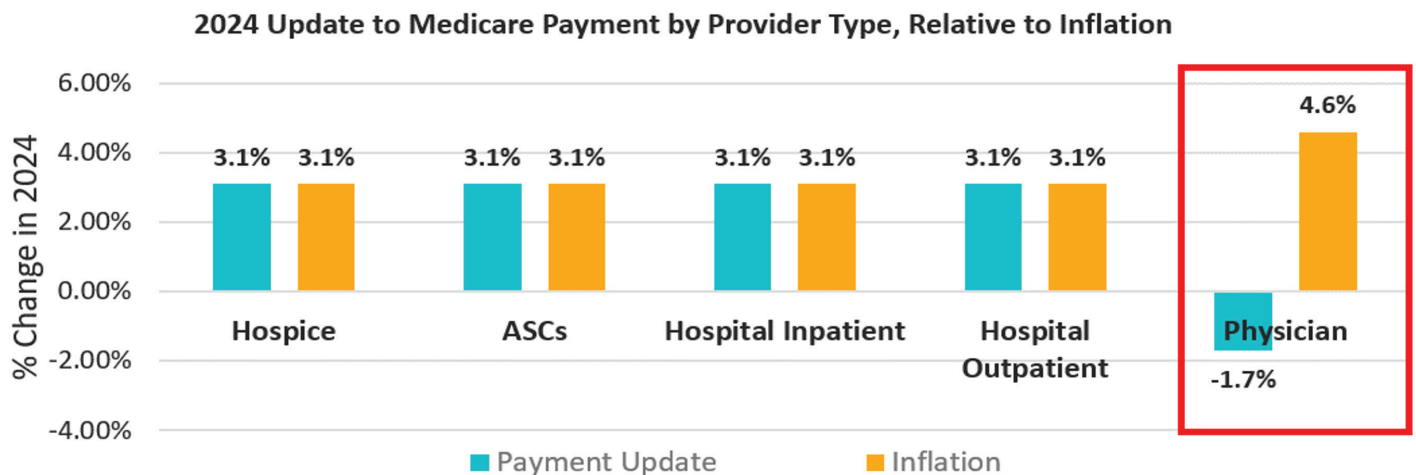
Supporting Patient Access to Care by Establishing Stable Physician Payment Updates

BACKGROUND

While the cost of practicing medicine has risen dramatically in recent years, Medicare physician payment has not kept pace and even declined. The Medicare Economic Index (MEI) measures the average annual price change for inputs of physician services. According to the Medicare Payment Advisory Commission's March 2024 report, while the MEI increased by nearly 48% between 2000 and 2022, physician payment rates only increased 12%! For 2024, the Centers for Medicare and Medicaid Services estimates that MEI will increase by 4.6% while physician payment decreases by nearly 2%. Rising costs associated with staff wages, equipment, infrastructure, and other overhead, compounded by challenges associated with recovering from the pandemic, are hampering physicians' ability to deliver care to patients who need it.

PROBLEM

Osteopathic physicians across the nation, including many in rural and underserved communities, are struggling to keep their practices open due to increasing expenses and insufficient, unstable payment rates. MedPAC projects that inflation will remain high in 2024 and 2025, and despite partial mitigation of payment rate reductions by Congress, physicians received another payment cut of nearly 2% in the 2024 Medicare Physician Fee Schedule.



SOLUTION

Congress must act to protect physician practices by co-sponsoring H.R. 2474 to help establish stable, annual payment updates to the Medicare Physician Fee Schedule based on the Medicare Economic Index (MEI).

¹ Medicare Payment Advisory Commission. March 2024 Report to Congress. March 15, 2024. Available at https://www.medpac.gov/wp-content/uploads/2024/03/Mar24_Ch4_MedPAC_Report_To_Congress_SEC.pdf.