

Congress must tackle Medicare pay, telehealth in reconciliation

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What's the news: There are some major health care issues the massive budget-reconciliation package that Congress is working on this month must not overlook. Most important, these two policy concepts deserve to be included in the final legislation:

- Medicare program sustainability and postponement of impending physician payment cuts set to take effect in January.
- Continued access to telehealth in order to ensure effective, efficient and equitable delivery of virtual health care services continues beyond the conclusion of the COVID-19 public health emergency.

Why it's important: On payment, physician practices face a combined 9.75% cut on Jan. 1 in what constitutes a “payment cliff,” wrote AMA Executive Vice President and CEO James L. Madara, MD, in a letter to Republican and Democratic congressional leaders.

Also, potential penalties under the Merit-based Incentive Payment System (MIPS) will rise to 9% in 2022. A *JAMA Health Forum* study found that the average per-physician cost of participating in MIPS was over \$12,000 a year, gobbling up over 200 hours of physician and administrator time annually.

“Physician practices continue to be stretched to their limits clinically, emotionally and financially as the pandemic persists,” wrote Dr. Madara. “The enactment of further Medicare payment cuts will undoubtedly threaten patient access to care, especially considering the stark reality that, adjusted for inflation in practice costs, Medicare physician payment actually declined 22% from 2001 to 2020, or by 1.3% per year on average.”

The AMA is urging Congress to include language in the reconciliation bill that instructs the committees of jurisdiction to “draft and mark up legislation that will provide a clear pathway to preventing these cuts from taking place” before Jan. 1, Dr. Madara added.

On telehealth, the AMA strongly recommends that Congress act to prevent seniors from losing access to services expanded during the COVID-19 public health emergency (PHE).

“The omission of retaining telehealth services for Medicare beneficiaries in the budget resolution is glaring,” Dr. Madara wrote, noting that million of Americans have benefited from expanded access to telehealth during the PHE.

“The AMA supports permanently fixing the originating site and geographic restriction on telehealth coverage for Medicare patients, thereby ensuring Medicare coverage of telehealth services regardless of where the patient is located,” he added. That includes support for H.R. 1332/S. 368, the “Modernization Act of 2021,” and H.R. 2903/S. 1512, the “CONNECT for Health Act.”

The benefits of expanded telemedicine are clear. Join physicians who are advocating to permanently expand virtual care coverage.

Learn more: The AMA also said these other significant health care issues merit inclusion in the final budget-reconciliation legislation:

- Enhanced access to health care coverage and lower health care costs by building upon improvements in the American Rescue Plan Act.
- Streamlined prior authorization, which is overused, costly, inefficient, opaque and has proven responsible for patient care delays, especially in Medicare Advantage.
- Increasing the health care workforce to provide vital care to the nation, including enhancing the Conrad 30 program and supporting international medical graduates.
- Improvements in health equity, health outcomes and social determinants of health to decrease health disparities.
- Combating maternal mortality, which disproportionately affects Black, Native American and Alaska Native women.
- Medicaid assistance for eligible prisoners, to provide for critically needed health care services, care coordination activities, and linkages to care for prisoners.
- Lower prescription drug prices.
- Improving our cybersecurity infrastructure and including physician input, where applicable, in cybersecurity infrastructure discussions.

Read the AMA’s letter to congressional leaders.