

2022 Medicare pay schedule confirms Congress needs to act

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What's the news: The Centers for Medicare & Medicaid Services (CMS) has released the final rule for the 2022 Medicare physician payment schedule. While a more thorough analysis of the rule's impact on medicine is forthcoming, the rule confirms the Medicare payment cuts that are in store and that Congress must address before the end of the year.

Notably, the 2022 Medicare conversion factor will be reduced by about 3.85% from 34.8931 (2021) to 33.5983. This is largely a result of the expiration of a 3.75% increase to the conversion factor at the end of 2021, as averted this year by congressional action. The impact table in the proposed rule does not seem to include the 3.75% reduction in the conversion factor.

Why it's important: "The AMA is strongly advocating for Congress to avert this and other looming cuts to Medicare physician payments that, overall, will produce a combined 9.75% cut for 2022," AMA President Gerald E. Harmon, MD, said in a statement. "This comes at a time when physician practices are still recovering the personal and financial impacts of the COVID public health emergency. Congress is beginning to recognize that this financial instability could limit health care access for Medicare patients. The clock is ticking."

Read more about the solid majority of the House of Representatives that backs stopping the Medicare physician pay cliff.

Additionally, CMS finalized provisions that extend coverage of services that were added to the Medicare telehealth list on an interim basis in response to the COVID-19 public health emergency until the end of 2023 and eliminated geographic barriers, allowing patients in their homes to access telehealth services for diagnosis, evaluation and treatment of mental health disorders.

CMS also announced plans to permanently increase payment for immunization administration,

beyond COVID-19 vaccines, and relied on information from the AMA and the RVS Update Committee in developing the improved payment rates. CMS is also moving forward with the first round of seven Merit-based Incentive Payment System Value Pathways that will be available, starting with the 2023 performance year. CMS has released a fact sheet on the physician payment schedule.

Learn more: The AMA Physicians Grassroots Network has issued an action alert calling on physicians to contact their legislators and ask them to add their names to the letter and to support legislation to stop these cuts from taking effect next year.