June 10, 2022: National Advocacy Update

AMA, Medicare trustees agree: Medicare payment system is unsustainable

Medicare's trustees have issued a report (PDF) that reckons with the consequences that patients could face as a result of the physician payment system's long-term unsustainability. The report acknowledged that patients will face limited access to Medicare-participating physicians because of the long-term growing financial instability of the Medicare physician payment system.

Most doctors will face Medicare pay cuts starting in 2025 due to the expiration of the $500 million exceptional performance bonus in the Merit-based Incentive Payment System (MIPS) and 5% incentive payment for qualifying Alternative Payment Model (APM) participants (QPs).

The AMA welcomes this recognition and urges Congress to work with physician stakeholders to put the payment system on a sustainable path. The AMA and other health care organizations have developed a set of principles to guide advocacy efforts on Medicare physician payment reform. This represents the first stage in medicine's effort to develop and propose substantial changes to the payment system to improve the financial viability of physician practices and ease its administrative burdens.

In a statement about the report, Gerald E. Harmon, MD, AMA President, said, "[f]iscal uncertainty is the only sure thing given the pandemic, statutory payment cuts, growing practice cuts and administrative burdens. This report is a wake-up call. We should not hit the snooze button."

Physicians reiterate call for actionable, timely data in MIPS

Despite numerous requests and recommendations from the AMA and the national medical specialty societies, physicians do not receive timely, actionable feedback on their resource use and attributed costs in Medicare. Transparency and data access is essential for physicians and national medical specialty societies to identify variations in spending that are not accounted for by differences in patient needs and to eliminate unnecessary costs.

In a letter (PDF) to the Centers for Medicare & Medicaid Services (CMS), the AMA urges CMS to increase its data sharing and improve the feedback reports and Quality Payment Program (QPP) Experience Reports. Access to cost data is essential as the Cost Performance Category of MIPS is weighted at 30% of the final score in 2022 and CMS is moving forward with MIPS Value Pathways, which are a voluntary option that bundles measures of quality, cost and improvement activities, in 2023.

CMS needs to work with radiation oncologists to redesign payment model

Radiation oncology specialty societies and CMS have been working for a number of years to design and implement a Medicare bundled payment model for radiation oncology services. Bundled payments would allow more flexibility in the payment system so that physicians could focus on ensuring patients get the services they need and not whether they are delivering enough treatments to cover their practice costs.

The payment model that CMS had previously developed could have had serious unintended consequences for patients, however, because practices would have been mandated to participate and to take steep cuts in their payment rates even as the nation was in the middle of the COVID-19 pandemic. For these reasons, the AMA strongly supported legislation enacted by Congress that delayed the implementation of the radiation oncology payment model until at least 2023.

CMS has now proposed to delay the start date for the model and to reconsider its design. In a comment letter (PDF), the AMA is urging CMS to take full advantage of the extra time Congress has provided to work with stakeholders to redesign key features of the model. The AMA letter also emphasizes the need for CMS to conduct a limited scale test of the model on a voluntary basis rather than mandating participation in an untested model.

Finally, the AMA wants CMS to work collaboratively with the radiation oncology community to redesign key aspects of the model, and to refrain from adding to physicians' already high data collection and reporting costs by imposing burdensome new administrative requirements in the radiation oncology model.

AMA joins physician and patient groups in opposing use of step therapy in Medicare Part B

The AMA joined over 70 physician and patient organizations on a June 1 letter (PDF) urging CMS to reverse current policy that allows for the use of step therapy protocols to manage drug utilization by Medicare Advantage (MA) plans. While use of step therapy protocols for physician-administered drugs covered under Medicare Part B had been previously banned, policy changes by the Trump administration allowed MA plans to begin using step therapy for Part B drugs. Despite consistent urging from physician and patient groups, CMS has yet to take action to reverse course and return to policy that bans use of step therapy for these drugs.

As noted in the letter, step therapy can result in direct harms to patients resulting from denials of appropriate therapeutics and/or delays in receiving appropriate therapeutics. These impacts are particularly acute when considering physician-administered drugs, as drugs covered under Part B are usually received by more vulnerable patient populations with more severe conditions, such as cancer.

The AMA will continue working closely with interested stakeholders, CMS and Congress to seek a reversal of current CMS policy on step therapy.

AMA presses HHS Secretary on Provider Relief Fund

Although the AMA has initiated several requests for data related to the late reporting Provider Relief Fund (PRF) periods and has offered to conduct outreach to impacted physicians, the Health Resources and Services Administration (HRSA) has not been responsive to these requests. Therefore, the AMA sent a June 3 letter (PDF) to Health and Human Services Secretary Xavier Becerra asking him to prioritize AMA concerns and to help reset communication with HRSA. AMA met with HRSA on April 14 and sent HRSA two letters (March 31 (PDF) and April 22 (PDF)) to raise significant concerns gathered from AMA members on HRSA's PRF reporting process.

AMA members have shared that the reporting process is too cumbersome to complete and that more time is needed to gather and complete the requested forms. Several physicians who missed the first reporting deadline and therefore received a letter from HRSA repaid the PRF money, only to learn afterwards of the late reporting period option. These physicians were not allowed to input their data since they had repaid the funds and have not been able to appeal this decision.

The AMA urgently asked Secretary Becerra for the development of an appeals process and in some instances, for the funds remitted to be returned to the physicians. The AMA looks forward to opportunities to work more closely with HRSA and other agencies so that more physicians can retain the PRFs our physicians so desperately needed during the early stages of the COVID-19 pandemic.

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