



Extend the moratorium on the Medicare sequester

With the COVID-19 pandemic continuing to rage throughout the United States, additional financial relief for physician practices is needed. Whether on the front lines treating COVID-19 patients or curbing non-emergent procedures and services to limit community spread and preserve personal protective equipment (PPE), physicians continue to face immense clinical, fiscal, and emotional challenges.

The passage of the *Budget Control Act of 2011* initiated a two percent across-the-board reduction in Medicare physician payments. The *Coronavirus Aid, Relief, and Economic Security (CARES) Act* signed into law in 2020 temporarily suspended this sequester between May 1, 2020 and December 31, 2020. Recognizing that the challenges associated with the pandemic show no signs of abating, Congress included provisions in the *Consolidated Appropriations Act, 2021*, signed into law last December, that further postponed the Medicare sequester until March 31, 2021. Yet, it is clear that the COVID-19 pandemic will extend well beyond the first quarter of this year and, absent additional Congressional intervention, these harmful payment cuts will be restored on April 1, 2021.

The continued negative fiscal impact of the COVID-19 pandemic on physician practices is undeniable. Results from an American Medical Association-commissioned survey of 3,500 practicing physicians conducted from mid-July through August 2020 found that 81 percent of respondents are still experiencing lower revenue than before the pandemic. In fact, survey respondents reported an average reduction in revenue of 32 percent. 64 percent of practice owners also reported higher spending on PPE in comparison to before the pandemic, on average 57 percent higher. A separate survey of nearly 500 primary care physicians completed in early September 2020 by the Larry A. Green Center and the Primary Care Collaborative (PCC) found that 35 percent of primary care physicians reported revenue and income significantly below pre-pandemic levels with 1 in 3 clinicians claiming fee-for-service volume being 30 to 50 percent lower. Equally alarming is that 81 percent of respondents emphatically disagreed with the notion that primary care services rebounded from the start of the pandemic. Higher COVID-19 infections and hospitalization rates witnessed at the end of 2020 and start of 2021 will likely make these data points even more acute.

To help alleviate some of the financial burden associated with the pandemic, Representatives Brad Schneider (D-IL) and David McKinley (R-WV) introduced H.R. 315, the *Medicare Sequester COVID Moratorium Act*. This bipartisan legislation would extend the current sequester moratorium through the end of the Public Health Emergency (PHE) and provide physicians with a needed financial boost to help them continue delivering effective patient care. Postponing these cuts through the remainder of the PHE eliminates the need to periodically address the sequester via legislation and permits Congress to focus its attention on other aspects of the pandemic.

Urge your representative to cosponsor H.R. 315, the *Medicare Sequester COVID Moratorium Act*; Ask your senators to introduce or support similar legislation in the Senate.