

CALL TO ACTION:
AVERT DRASTIC CUTS TO PHYSICIAN PAYMENT AND PROTECT MEDICARE PATIENTS

On January 1, 2022, payments made under the Medicare Physician Fee Schedule will be cut by almost 10% unless Congress acts. This looming payment cut stems from three separate cuts scheduled to take effect at the same time – a “perfect storm.” Independently, each cut would have a harmful impact on patients and practices, but together the effect could be devastating. **These cuts cannot be mitigated by the Centers for Medicare and Medicaid Services (CMS) or the Biden Administration alone – Congressional action is required.**

The three cuts include:

- 2% - Medicare Sequestration
- 4% - Statutory Pay-As-You-Go (PAYGO)
- 3.7% - Budget Neutrality

Medicare Sequestration: An automatic Medicare sequestration cut of two percent (2%) has been in place for several years resulting from the Budget Control Act of 2011. However, Congress paused sequestration during the pandemic. *This temporary pause is set to expire at the end of 2021 and if Congress does not act, sequestration will go back into effect on January 1, 2022.* **Congress should continue to suspend sequestration for the duration of the public health emergency (PHE).**

PAYGO: A four percent (4%) payment cut is required to offset increases to the deficit associated with the passage of the American Rescue Plan Act in early 2021. PAYGO has been triggered several times in the past due to enactment of legislation. However, Congress has always acted in time to waive the associated reductions. **Congress should again step in to waive PAYGO and avert the associated 4.0 percent payment reduction.**

Budget Neutrality: Last year, Congress temporarily increased Medicare Physician Fee Schedule payments by 3.75% to avoid payment cuts associated with budget neutrality. This increase is set to expire at the end of 2021. Without action, Medicare is required to decrease the conversion factor by over 3.7% for 2022. **As a temporary solution, Congress should extend the payment increase instituted for 2021, but a permanent solution to budget neutrality is needed to prevent similar cuts in the future.**

AAPM&R urges Congress to act to prevent any reduction in the conversion factor that would:

Create Barriers to Medical Rehabilitation Care During the Pandemic

- In response to the ongoing COVID-19 pandemic and Long COVID crisis, physiatrists have played a unique and critical role, ensuring that patients experiencing severe complications from the virus are able to restore function and optimal health.
- The scheduled cuts would create barriers for Medicare patients to access medical rehabilitation specialists, including for those who have lost significant function due to the virus, by making it harder for practices to accept Medicare.
- Reimbursement cuts to physiatrists of this magnitude would have a ripple effect across many payers, creating potentially unsustainable financial circumstances that could adversely impact Medicare beneficiaries’ access to PM&R care.

AAPM&R URGES CONGRESS TO PROTECT ACCESS TO MEDICARE BY ACTING TO AVERT SCHEDULED 2022 PAYMENT CUTS.