

Support H.R. 879 - the Medicare Patient Access and Practice Stabilization Act

Sponsors: Reps. Greg Murphy, MD (R-NC) and Jimmy Panetta (D-CA)

Issue: Support and improve access to care for our seniors by strengthening our Medicare physician payment system.

Why Action is Needed:

The Medicare physician payment system fails to provide our physicians with the resources needed to care for patients and if not fixed, jeopardizes access to care for older adults, especially those seeking primary care. Physician payment in Medicare is not updated to account for the cost of inflation; as a result, after adjusting for inflation in practice costs, **Medicare payment to practices has dropped 33 percent since 2001**. The Medicare Payment Advisory Commission (MedPAC), an independent congressional agency established to advise Congress, has recommended that Congress link Medicare payment updates for physician practices to the growth in the cost of providing care.

In addition to a lack of inflationary updates, federal law requires that increases in payment to any service within the physician fee schedule (PFS) must be offset by arbitrary across the board payment cuts to all services in the PFS. This mandate, known as budget neutrality, has caused annual physician payment cuts since 2021. The 2025 PFS final rule mandated a 2.83 percent cut in physician payment due to budget neutrality. Although Congress has acted in the past to mitigate the impact of these cuts, action was not taken this year to prevent the 2.83 reduction in payment.

ACP's Position

We urge Congress to provide a positive update to the PFS annually. Congress must ensure that the Medicare PFS provides annual updates consistent with the Medicare Economic Index. We also ask Congress to enact comprehensive structural reforms to the PFS that improve access to primary care services and prevent annual across-the-board cuts to physician services.

Call To Action

Cosponsor and pass H.R. 879, the Medicare Patient Access and Practice Stabilization Act. This legislation would stop the 2.83 percent cut in Medicare payments this year while providing a 2 percent increase for the remainder of 2025, which is equal to about half of the rate of medical inflation, the Medicare Economic Index.