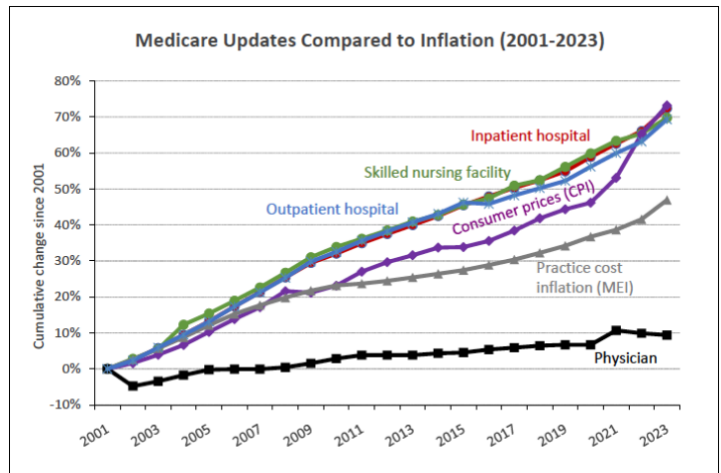


Fulfilling Medicare’s Promise for Physicians and Patients

Providing stability and certainty for Medicare physician payments is critical to ensuring that emergency medicine remains a viable, competitive, and attractive career for future generations of the physician workforce, and most importantly, ensuring continued patient access to lifesaving emergency care. But for decades, Medicare physician reimbursements have failed to keep up with inflation despite other Medicare participants receiving annual inflationary updates. Further, the yearly threat – and implementation – of significant cuts to Medicare physician payments continues to destabilize the health care safety net. While Congress has taken action to mitigate the full impact of these cuts over the last few years, this foundational instability in the Medicare program endangers long-term access to the lifesaving care that patients need and deserve. Rather than a yearly scramble to address steep payment cuts, **we welcome the opportunity to work with Congress to identify policy solutions that will provide long-term stability for Medicare beneficiaries and their physicians.**

An analysis conducted by ACEP found that Medicare payments have decreased by 53 percent when compared to inflation (CPI-U index) between the start of the Resource-based Relative Value Scale (RBRVS) in 1992 and 2016.¹ And as seen in this chart, over the course of the last twenty years, the payment systems for other Medicare providers like hospitals and skilled nursing facilities (SNFs), as well as actual practice costs reflected in the Medicare Economic Index (MEI), have far exceeded Medicare payments under the Physician Fee Schedule (PFS).



Sources: Federal Register, Medicare Trustees’ Reports, Bureau of Labor Statistics, Congressional Budget Office

Medicare’s access problems also present differently for emergency medicine (EM) when compared with other specialties and primary care. Economic incentives and growing consolidation in health care have encouraged hospitals to outsource physician specialties like EM and others, resulting in a system where emergency physicians tend to practice in groups that contract with a hospital or health system to provide emergency care. Since emergency physicians must by law treat every patient that walks through the doors of the emergency department (ED), regardless of insurance status or ability to pay, these contracts almost always require the emergency physician group to participate in Medicare. Thus, while continued cuts and insufficient reimbursement may incentivize other physician specialties to limit services or ultimately opt out of Medicare, emergency physicians are essentially required to participate given the nature of EM staffing and contracting practices.

As physician payments continue to decrease, new generations of physicians will have fewer incentives to pursue EM when compared with other more competitive and financially viable specialties that provide greater freedom of practice. While EM remains a vibrant and appealing specialty, the stresses of the boarding crisis, increasing rates of threats and violence against emergency physicians, and growing burnout and dissatisfaction in the workforce lead many to believe that the compensation does not match the overall workload and requirements of the profession.

ACEP appreciates the establishment of the recently announced bipartisan Senate Medicare Payment Reform Working Group which seeks to address these issues to put Medicare on a sustainable path for the future. We urge Senators to support and contribute to this critical effort and ask Representatives to ensure parallel efforts continue and grow in the House. These solutions should include addressing Medicare’s “budget neutrality” requirement, a regular inflationary update based on the MEI, and ensuring emergency physicians have opportunities to meaningfully participate in alternative payment models that help drive Medicare towards a system that rewards value over volume.

ACEP urges Congress to work with emergency physicians to provide long-term stability for Medicare and to support and contribute to ongoing bipartisan efforts to stabilize the Medicare physician payment system.

¹ <https://www.acep.org/siteassets/uploads/uploaded-files/acep/advocacy/state-issues/medicare-versus-inflation.pdf>