

Hon. Raul Ruiz, M.D. 2342 Rayburn HOB Washington, DC 20515

Hon. Mariannette Miller-Meeks, M.D. 1034 Longworth House Office Building Washington, DC 20515 Hon. Ami Bera, M.D. 172 Cannon House Office Building Washington, DC 20515

Hon. Larry Bucshon, M.D. 2313 Rayburn House Office Building Washington, DC 20515

Dear Representatives Ruiz, Bucshon, Bera and Miller-Meeks,

The Healthcare Business Management Association (HBMA) is proud to endorse your bill, H.R. 2474, the Strengthening Medicare for Patients and Providers Act.

The Healthcare Business Management Association (<u>HBMA</u>), a non-profit professional trade association, is a major voice in the revenue cycle management industry in the United States. HBMA is a recognized revenue cycle management (RCM) authority by both the commercial insurance industry and the governmental agencies that regulate or otherwise affect the U.S. healthcare system.

HBMA members play an essential role in the operational and financial aspects of the healthcare system. Our work on behalf of medical practices allows physicians to focus their attention and resources on patient care - where it should be directed - instead of on the many administrative burdens they currently face. The revenue cycle management (RCM) process involves everything from the lifecycle of a claim to credentialing, coding and managing participation in value-based payment programs.

Physicians currently do not have any guaranteed statutory update to Medicare reimbursements. Beginning in 2026, physicians who participate in Advanced Alternative Payment Models (Advanced APM) will receive a 0.75% increase to their Medicare payments. However, most physicians do not participate in Advanced APMs. Regulatory updates to Medicare reimbursements have similarly been inadequate. During its December, 2022 meeting, MedPAC further highlighted how Medicare reimbursements to physicians have not kept pace with inflation.

This legislation would create a permanent solution to this issue by requiring CMS to base its annual updates to the Medicare Physician Fee Schedule (PFS) conversion factor (CF) on changes to the Medicare Economic Index (MEI). Linking annual payment updates to inflation is both logical and overdue.

We hope this bill is the first step in a larger effort to address physician reimbursement challenges. Medical practices continue to shoulder financial costs to comply with administrative burdens. These include overzealous prior authorization requirements from health plans, the No Surprises Act and value-based payment programs such as MIPS. Physicians are not reimbursed for the resources they dedicate to these administrative functions. These resources should instead by directed toward patient care. These burdens and the financial pressures

associated with them are a main source of "burnout" and can lead to healthcare professionals leaving the clinical workforce.

Additionally, it is important for Congress to factor how other PFS policies impact reimbursement. Annual updates to RVU components and other policy changes in the Medicare Physician Fee Schedule can result in some specialties seeing reduced reimbursements. Sometimes, these reductions will be large enough to offset MEI-based updates to the PFS conversion factor. We encourage you to expand this bill to ensure that annual changes to RVUs do not offset this important inflationary adjustment.

Thank you again for your bipartisan leadership on behalf of physician practices. We are deeply appreciative of your past and current work to address inadequate physician reimbursement. Please do not hesitate to contact Matt Reiter (reiterm@capitolassociates.com) or Brad Lund (brad@hbma.org) if we can be a resource to your offices in anyway.

Sincerely,

Landon Tooke

Landon Tooke, CHC, CPCO
President
Hoalthcare Rusiness Management As

Healthcare Business Management Association