



Skip the Trimming

It's "Stop the Cuts" season again

By Jamie Miller, MBA

Nothing quite says season's greetings like strife in Congress, potential cuts to Medicare, and the AMGA Stop the Cuts campaign. As the seasons begin to change, so does a potential change to physician reimbursement, even as costs for providing care continue to rise. As the year draws to a close, AMGA members continue to pressure congressional leadership to address the potential cuts to the Medicare conversion factor on Medicare Part B services. The AMGA public policy department also outlined the need to address these cuts in a fall priorities letter to congressional leadership.

Medical groups and integrated systems of care are faced with weathering a third year of cuts to Medicare reimbursement when it is already facing numerous strains, including a workforce shortage, record burnout following the COVID-19 pandemic, unprecedented inflation, and

an ever-rising Medicare population. The continued cuts add another straw to the growing pile on providers' backs. An additional cut to physician Medicare reimbursement at this time would be devastating and threaten providers' ability to take on new Medicare patients.

Concerning Cuts

The continued Medicare cuts are an increasing concern for AMGA members. In their calendar year 2024 Physician Fee Schedule proposed rule, the Centers for Medicare and Medicaid Services (CMS) propose a 3.4% cut to the conversion factor to Part B reimbursement payments. The continued cuts to Medicare have caused AMGA members to experience a 26% drop in inflation-adjusted Medicare reimbursement from 2001 to 2023.



In 2021, the conversion factor decreased by 3.3%, in 2022 by 0.80%, and in 2023 by 2%. With the rule set to go into effect January 1, now is the time to make our voices heard on the Hill to ensure these cuts do not go into place.

In response to proposed Medicare cuts, AMGA's public policy team launched the "Stop the Cuts 3.0" campaign to urge Congress to address the proposed cuts by the end of the year. Through the AMGA grassroots network, members are able to connect with their representatives to call for congressional intervention. Congress intervened in December 2021 and 2022, delaying some of the cuts to Medicare. Congress must act again to ensure Medicare reimbursement accurately reflects the cost of delivering high-quality care to patients.

Preparing for the Worst

The fallout from these cuts is already deeply impacting AMGA members. As part of the Stop the Cuts campaign, AMGA surveyed members asking what steps they may be forced to undertake should proposed cuts in Medicare reimbursement go into effect in 2024, as well as what actions they undertook in 2023 in reaction to the prior year's cuts. Half of all

members instituted hiring freezes in 2023, and 65% expect to extend that same policy into 2024. Additionally, 44% of members eliminated services in 2023, and 65% expect to continue that policy in 2024. When it comes to investing in social determinants of health programs, 21% of respondents stopped in 2023, and 57% expect to delay or stop these investments in 2024. These statistics illustrate the staggering ramifications of the compound effect of continued cuts.

As the year's end approaches, healthcare providers' challenges loom large. AMGA remains steadfast in its commitment to delivering quality care. It is imperative that lawmakers recognize the broader implications and take decisive action to protect the future of healthcare delivery. AMGA will continue to advocate tirelessly for the best interests of our members and, most importantly, the patients they serve. Together, providers can ensure that the season's greetings in Congress include a resounding message of support for quality healthcare for all. [GRU](#)

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