

November 18, 2024

The Honorable Mike Johnson
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Hakeem Jeffries
Minority Leader
U.S. House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

Dear Speaker Johnson and Leaders Jeffries, Schumer, and McConnell:

On behalf of the nearly 600,000 physicians our organizations represent, we greatly appreciate your commitment to support patient access to affordable, high-quality health care and the physicians who provide that care. As we approach the final weeks of the 118th Congress, we urge lawmakers to act on the important items described below to ensure our patients have access to care while taking steps to strengthen the physician workforce.

Physician Reimbursement

Medicare beneficiaries' access to care is under threat because of continued structural challenges that have led to yearly cuts to payments. This includes both the arbitrary across-the-board cut to the Medicare physician fee schedule (MPFS) conversion factor to comply with budget neutrality requirements, which is scheduled to be a 2.8% cut in 2025, along with payment rates not being updated for inflation. Medicare payment rates have fallen 29% over the last two decades when accounting for the costs of running a practice, and 2025 would be the fifth straight year that the final MPFS rule includes an across-the-board cut to payment rates for physicians and other clinicians while the cost of providing care continues to increase. CMS projects the Medicare Economic Index (MEI) for 2025 at 3.5%, an increase that many practices cannot continue to absorb.

We appreciate Congress acting over the past four years to mitigate portions of these cuts, but the MPFS remains broken. Action is needed by Congress to stabilize Medicare payment rates and protect seniors' access to care in 2025. We are grateful that a bipartisan group of 233 members of Congress have written to House leadership on this issue and we echo their call for Congress to enact legislation this year that includes targeted reforms to statutory budget neutrality requirements and provides physicians with a payment update reflective of inflationary pressures.

We ask that Congress prioritize passage of legislation this year that would stop Medicare physician payment cuts and provide an inflationary update prior to the implementation of the 2025 MPFS.

Telehealth Flexibilities

Telehealth was a literal lifeline for patients during the COVID-19 public health emergency, safeguarding access to a physician's care without the risks of leaving home. This was only possible because Congress acted quickly to implement legislative and regulatory flexibilities that broadened the reach of remote patient care to benefit patients in rural and underserved areas. Over the last several years, including during the pandemic, patients have shown high satisfaction with telehealth and a decrease in no-show rates, which is clinically important for timely treatment.

Telehealth can help patients access more timely and continuous treatment, which results in better medication compliance, fewer emergency department visits, reduced patient admissions to an inpatient unit, declines in subsequent readmissions, and lower health care costs overall. Telehealth increases access and alleviates gaps exposed by workforce maldistribution, including in rural and underserved areas where in-person visits are difficult or require a long commute. More than 1 in 10 traditional Medicare beneficiaries used telehealth at the end of 2023.

We ask that Congress extend existing telehealth flexibilities beyond their current end-of-2024 expiration date to ensure the continuation of essential telehealth services for those in need while a more permanent fix is pursued by Congress. Furthermore, we encourage Congress to include policies that would permanently eliminate the 6-month in-person requirement currently in statute for telemental health services, an arbitrary and unnecessary barrier to treatment.

Teaching Health Center Graduate Medical Education

The Teaching Health Graduate Medical Education (THCGME) Program has over a decade of bipartisan support and is the only federal program investing in the training of future physicians in community settings, rather than hospitals. In the current academic year, 82 Teaching Health Center programs operate in nearly 30 states, training nearly 1,200 medical and dental residents who handle more than an estimated one million patient visits annually.

The THCGME program helps to attract and retain physicians in rural and medically underserved communities, while also addressing the issue of physician maldistribution. The Health Resources and Services Administration (HRSA) has found that: **82% of THC graduates remain in primary care**, compared to 23% of traditional GME graduates; **55% of THC graduates practice in underserved communities**, versus 26% of traditional GME graduates; and **20% of THC graduates work in rural areas**, compared to 8% of traditional GME graduates.

According to the Association of American Medical Colleges, the U.S. faces a projected physician shortage of up to 86,000 physicians by 2036, and HRSA estimates that over 15,000 primary care providers are needed to eliminate health provider shortage areas.

The shortage and maldistribution of adult and pediatric primary care, psychiatric care, and other high-need specialties limits patient access to cost effective, preventive care, and it will become even more acute in the coming years if no action is taken.

We urge Congress to adopt a multi-year reauthorization of the THCGME program to provide stability and allow for continued growth in the number of programs and residents.

We thank you for considering our recommendations and if you have any questions, please feel free to contact David Tully with the American Academy of Family Physicians at dtully@aaafp.org.

Sincerely,

American Academy of Pediatrics
American Academy of Family Physicians
American College of Obstetricians and Gynecologists
American College of Physicians
American Osteopathic Association
American Psychiatric Association