

# The Problem With The Medicare Physician Fee Schedule

According to CMS data, there are 300 codes under the Medicare Physician Fee Schedule (PFS) for which Medicare reimbursement does not even match direct costs let alone reimburse the physician for their work. These codes relate to office-based interventional services and this is a key catalyst for independent practice closure and consolidation. This has been a key driver in a trend which, since 2006, has resulted in PFS cuts to cardiology, radiation oncology, vascular surgery, and interventional radiology of -18%, -21%, -28%, and -35%, respectively. A 2023 multi-specialty survey of non-hospital providers found that 53% of respondents "believe the likelihood of the practice's success is unlikely." A permanent inflation update to the PFS conversion factor, while needed, is not sufficient to address the pay gap for hundreds of interventional codes in the PFS.

## The Solution

To achieve fundamental reform of the Physician Fee Schedule (PFS), Congress should remove high-cost supplies and equipment from the PFS. Two bills would accomplish this objective:

- Radiation Oncology Case Rate Legislation (H.R. 8404 / S. 4330)
  - Removes high-cost radiation therapy equipment from the PFS
  - Establishes a new case-rate model for radiation oncology
- Promoting Fairness for Medicare Providers Act
  - Removes high-cost supplies from the PFS
  - Establishes a new site-of-service for minimally invasive interventional care

“It’s astonishing that Medicare’s own data shows that Medicare reimbursement no longer covers even the direct practice costs, not to mention physician work, for at least 300 office-based interventional services in the MPFS. This cannot continue and **underscores the reason why we need fundamental reform of the MPFS to ensure patient access to community-based, interventional care.**”

Outpatient Endovascular and Interventional Society (OEIS) Past President and OBFA board member Jerry Niedzwiecki, MD

## Coaltions

Coalition Supporting Removing High-Cost Supplies and Equipment from the PFS:

- [American Association of Clinical Urologists](#)
- [American College of Radiation Oncology](#)
- [American Vein & Lymphatic Society](#)
- [American Society of Diagnostic and Interventional Nephrology](#)
- [American Society of Nephrology](#)
- [Outpatient Endovascular and Interventional Society](#)
- [Renal Physicians Association](#)
- [Society for Cardiovascular Angiography and Interventions](#)
- [Society of Interventional Radiology](#)

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