

December 17, 2024

U.S. Representative Gus Bilirakis
2306 Rayburn House Office Building
Washington, DC 20515

U.S. Representative Gregory Murphy
407 Cannon House Office Building
Washington, DC 20515

U.S. Representative Danny Davis
2159 Rayburn House Office Building
Washington, DC 20515

Dear Congressman Bilirakis, Congressman Murphy, and Congressman Davis:

We write to applaud your efforts to tackle one of the most pressing issues facing the Medicare Physician Fee Schedule: the ongoing closures and consolidation of office-based interventional care providers across the United States. Our coalition would like to thank you for introducing the Promoting Fairness for Medicare Providers Act of 2024 (H.R. 10136).

Your bipartisan legislation is an important step toward fundamental reform of the Medicare Physician Fee Schedule and reversing the collapse of private practice providers. Put simply, the “Physician Fee” Schedule was built for reimbursing physicians for their work and not for the reimbursement of high-cost supplies and equipment.

As a result of ongoing cuts – largely related to practice expense – office-based interventional services such as cardiology, radiation oncology, vascular surgery, and interventional radiology have been cut by -18%, -21%, -28%, and -35%, respectively, since 2006. Today, according to CMS’s own data, there are 300 office-based services under the Physician Fee Schedule for which Medicare reimbursement does not even compensate for the direct costs (including supplies and equipment) let alone reimburse the physician for their actual work. This dynamic has been a key catalyst for independent practice closure and consolidation.

A 2023 multi-specialty survey of non-hospital providers found that 53% of respondents “believe the likelihood of the practice’s success is unlikely.”¹ A permanent inflation update to the

¹ <https://oeisweb.com/new-survey-data-illustrates-bleak-outlook/>

Physician Fee Schedule conversion factor, while needed, is not sufficient to address the pay gap for hundreds of office-based interventional services whose cuts have derived primarily from practice expense reimbursement since 2006.²

The Promoting Fairness for Medicare Providers Act of 2024 (H.R. 10136) would provide immediate and permanent reimbursement stability for office-based interventional services that utilize high-cost supplies over \$500 by establishing a new “office-based facility” site-of-service. Reimbursement for specified surgical procedures with high-cost supplies would be paid at 90% of ambulatory surgical center (ASC) rates, thereby helping to stop further closures of centers that provide office-based interventional care. Additionally, this policy would (1) maintain the “office-based facility” as the lowest cost site-of-service for such services, (2) safeguard the PFS for all providers from further erosion caused by the unsubsidized migration of high-cost supplies from hospitals to the office-based setting, (3) address site-of-service disparity and consolidation issues by helping under-reimbursed services, (4) help patient access in rural and underserved areas where ASCs are not typically present and where significant specialty deserts exist, and (5) maintain a critical site-of-service option during pandemics to provide interventional care while hospitals focus on pandemic patients.³

We thank you for your support of this important legislation and encourage your colleagues to move to support this bill as well.

Sincerely,

American Society of Pain & Neuroscience
American Association of Clinical Urologists
American College of Radiation Oncology
American Vein & Lymphatic Society
American Venous Forum
American Society of Diagnostic and Interventional Nephrology
American Society of Nephrology
Large Urology Group Practice Association
Outpatient Endovascular and Interventional Society
Renal Physicians Association
Society for Cardiovascular Angiography and Interventions
Society of Interventional Radiology

² Medicare Physician Fee Schedule reimbursement = relative value units (mainly practice expense and work) times conversion factor (inflation)

³ Inpatient Hospital > Hospital Outpatient > Ambulatory Surgical Center > Office-Based Facility