



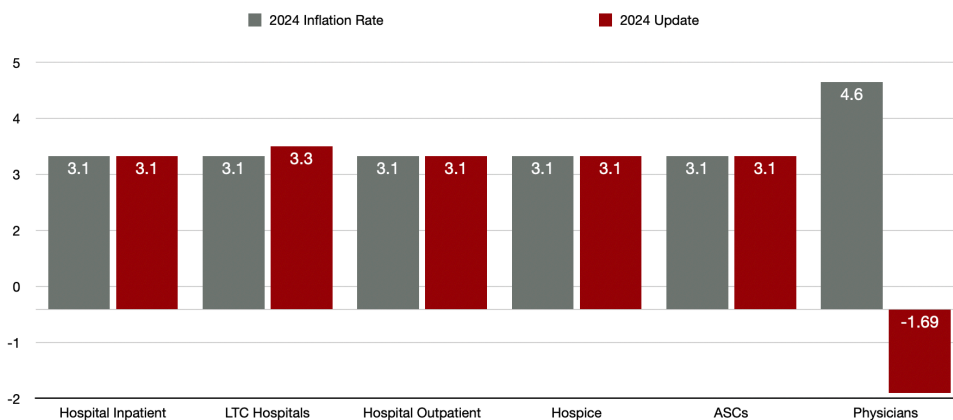
American Society for  
Gastrointestinal Endoscopy

## MEDICARE PHYSICIAN PAYMENT

Ensuring patients with diseases of the digestive system have access to specialty care requires payment policies that accurately reflect the cost of care. Value-based payment models, when developed with input from the physician community, offer opportunity to reward physicians for high-quality and cost-effective care. The reality is, however, that independent physician practices struggle with Medicare payment uncertainty and administrative burden, and when coupled with an aging physician workforce, the escape hatch is practice acquisition and health care consolidation.

Medicare physician payments have not kept pace with practice cost inflation, and payments are further eroded by frequent and large payment redistributions caused by budget neutrality adjustments.

### Medicare Payment Updates for 2024



Note:

Hospital inpatient, LTC hospitals, hospice, hospital outpatient and ASC inflation rates reflect market basket less a productivity adjustment.

Physician fee schedule inflation rate is the Medicare Economic Index, which has a productivity adjustment.

Potential adjustments for quality performance omitted for all provider types.

The current budget neutrality threshold of \$20 million was put in place in 1992 and has not been updated since. When the threshold is exceeded, a cut to the conversion factor occurs.

Preventing physician payment reductions requires a thoughtful discussion about ensuring fee schedule payment adequacy and predictability, while also encouraging value-based payment and care delivery. ASGE looks forward to working with Congress in 2024 to achieve a fundamental restructuring of the physician

## What Congress Can Do to Help

- Support and pass legislation (H.R. 2474) that would provide Medicare payments for physician services with an annual inflationary update based on the Medicare Economic Index, similar to updates received by other health care providers.
- Revise budget neutrality requirements and triggers by supporting and passing the *Provider Reimbursement Stability Act* (H.R. 6371).
- Reduce administrative and financial burden of participation in the Merit-based Incentive Payment System.