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April 25, 2023

The Honorable Raul Ruiz, MD United States House of Representatives 2342 Rayburn House Office Building Washington, DC 20515

The Honorable Ami Bera, MD United States House of Representatives 172 Cannon House Office Building Washington, DC 20515 The Honorable Larry Bucshon, MD United States House of Representatives 2313 Rayburn House Office Building Washington, DC 20515

The Honorable Mariannette Miller-Meeks, MD United States House of Representatives 1716 Longworth House Office Building Washington, DC 20515

Re: H.R. 2474 – Strengthening Medicare for Patients and Providers Act

Dear Representatives Ruiz, Bucshon, Bera, and Miller-Meeks,

On behalf of The Society of Thoracic Surgeons (STS), I would like to thank you for introducing H.R. 2474, the Strengthening Medicare for Patients and Providers Act, which would ensure continued access to care for Medicare beneficiaries by providing physicians with long-term financial stability and sustainability through creating an annual inflation-based update for Medicare physician reimbursements.

Founded in 1964, STS is a not-for-profit organization representing more than 7,700 surgeons, researchers, and allied healthcare professionals worldwide who are dedicated to ensuring the best possible outcomes for surgeries of the heart, lungs, and esophagus, as well as other surgical procedures within the chest.

For decades physicians, including thoracic surgeons, have consistently faced threats to Medicare reimbursement. Instability, unpredictability, and reductions in physician payments harm patients by potentially limiting access to critical treatments and procedures and make it challenging for providers, hospitals, and others to plan for the future.

Thoracic surgeons are facing multiple challenges with Medicare reimbursements:

- The Medicare conversion factor, which is the tool to calculate the value of a Medicare visit or procedure, has failed to keep up with inflation. Physician payments are one of the only health care sectors that do not see automatic inflation adjustments.
- Despite past congressional actions, physician payment rates decreased by two percent in 2023 due to expiring relief measures and are slated for further reductions in 2024.

- Incentives for alternative payment models have decreased and are set to expire without congressional action.
- Medicare physician payments have lagged 26% behind the rate of inflation growth since 2001.

By providing an annual inflation update equal to the Medical Economic Index (MEI) for Medicare physician payments, physician practices will be able to better navigate through periods of high inflation and prepare for future payment issues caused by budget neutrality rules. This change will provide physician payments with the same level of stability that is already provided to nearly all other sectors of heath care.

Thank you for taking this important step in helping to reform the Medicare payment system to ensure access to care for the vulnerable Medicare population. Please contact Molly Peltzman, Associate Director of Health Policy, at mpeltzman@sts.org, or Derek Brandt, Vice President of Government Affairs, at dbrandt@sts.org, should you need additional information or clarification.

Sincerely,

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Thomas E. MacGillivray, MD President