

March 16, 2021

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Kevin McCarthy
Republican Leader
U.S. House of Representatives
Washington, DC 20515

Dear Speaker Pelosi and Leader McCarthy:

On behalf of our physician and medical student members, the American Medical Association (AMA) is writing to **express our strong support for the provisions of H.R. 1868**, which would prevent across-the-board direct spending cuts that threaten the financial viability of physician practices, especially during the COVID-19 public health emergency (PHE) and beyond. This bill is vital to protect physician practices by extending the current moratorium on the two percent Medicare sequester cuts beyond the March 31, 2021 deadline. Importantly, this bill also protects physician practices by avoiding an additional Medicare statutory PAYGO cut of up to four percent that would have been triggered by the budgetary impact projected under the American Rescue Plan Act of 2021 recently signed into law.

As the COVID-19 pandemic persists and continues to have a substantial fiscal impact on physician practices, it is critically important that physicians are able to provide frontline care to Medicare beneficiaries. These arbitrary, across-the-board Medicare cuts are detrimental and will surely have a devastating impact on many already distressed physician practices that are still recovering from substantial financial losses due to the pandemic. Even with the encouraging development and deployment of effective vaccines, these cuts come at a time when physician practices still face overwhelming financial challenges and pressures associated with higher overhead costs (e.g., personal protective equipment) and lost revenue due to fewer patient visits and delayed elective procedures during the pandemic.

Congress has already recognized the devastating impact of COVID-19 across the economy, particularly on physician practices, and previously acted to prevent the imposition of the two percent Medicare sequester cuts as the United States remains within a PHE, including the most recent enactment of the Consolidated Appropriations Act, 2021, last December. Without any additional Congressional intervention, these harmful payment cuts will be re-imposed.

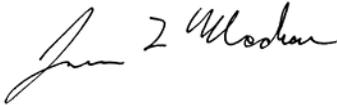
In addition, while the AMA appreciates H.R. 1868's prompt action to prevent the additional statutory PAYGO cuts, we must note that the imposition of a four percent cut on physicians and other Medicare providers was a consequence of the decision to pass legislation through a process that did not afford an opportunity to address it. The AMA strongly discourages Congress from pursuing any further legislation that would trigger statutory PAYGO cuts on Medicare providers. Injecting additional uncertainty into the health care system is an unnecessary distraction during a time when physicians and others are focused on fighting the pandemic. Our physicians now need further relief, as the COVID-19 pandemic will surely extend well beyond the first quarter of this year.

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We strongly urge Congress to work in a bipartisan fashion to take immediate action to ensure not only that the policies contained in this bill are enacted into law, but also provide additional assistance to physicians as they attempt to care for patients while struggling to keep their practices operating. This needed assistance can take many forms, such as removing barriers to patient care, mitigating future Medicare cuts caused by policies included in the 2021 Physician Fee Schedule rule, or directing resources to address physician needs through the Provider Relief Fund.

The AMA appreciates your leadership on this important issue and looks forward to working with you to ensure the provisions contained in this legislation are enacted.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim L. Madara". The signature is written in a cursive, flowing style.

James L. Madara, MD