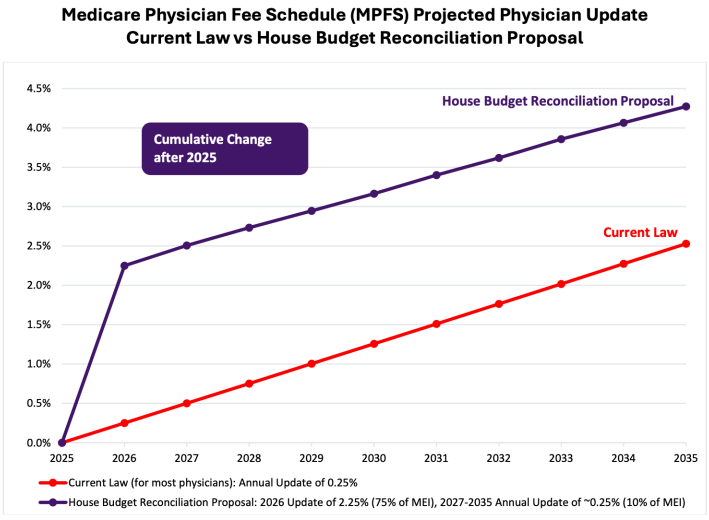
Support Patient Access to Care through Physician Payment Adequacy

The American Society of Nuclear Cardiology (ASNC) supports providing physicians an annual payment update tied to the Medicare Economic Index (MEI). This reform is fundamental to ensuring physician payment adequacy. There is also an urgent need for comprehensive reform of the Medicare physician fee schedule, including:

- Revision of budget-neutrality requirements to avoid cuts to the conversion factor in the future; and
- Simplification and improvement of clinical relevancy reporting programs under the Merit-based Incentive Payment System.

Revising budget-neutrality requirements should be a top priority for Congress. Because of changes to clinical labor pricing inputs, nuclear cardiology practices have faced 4 years (CY 2022-2025) of phased-in payment reductions. When the Centers for Medicare and Medicaid Services (CMS) finalized new clinical labor pricing inputs, the rate per minute for a nuclear medicine technologist increased from $0.62 to $0.88, a 43% increase. Because nuclear cardiology is allocated a lower share of direct costs associated with clinical labor and uses high-cost supplies, the result was a significant decrease in payment for nuclear cardiology services, including a 12% cut to myocardial perfusion imaging. These cuts, arising from budget neutrality, were fundamentally unfair. While wages rose, CMS imposed a cut to preserve budget neutrality. These payment reductions coincided with reductions to the Medicare conversion factor, compounding the effect.



Source: American Medical Association

ASNC supports a permanent annual inflation adjustment to Medicare physician payment as included in the House-passed budget reconciliation bill. While an important first step in addressing the underlying instability of the Medicare payment system, it does not resolve the underlying problems in the payment structure that cause instability.

An MEI-based adjustment, while critically important, reflects only a portion of actual practice cost growth and is further diminished by ongoing statutory reductions, including sequestration and budget-neutrality adjustments.

How Members of Congress Can Help

Support a permanent annual inflation adjustment to the Medicare physician fee schedule tied to MEI beginning in 2026.

Cosponsor the *Medicare Patient Access and Practice Stabilization Act of 2025* (S. 1640, H.R. 879), which will stop the 2.83% cut to Medicare physician payment that took effect January 1, 2025, and provide physicians with a positive update for the remainder of 2025.

Oppose all Medicare payment site-neutrality changes that do not reinvest savings into the Medicare program or that lack sufficient and accurate data on the actual costs of providing services based on site of care.