

The Honorable [First Name] [Last Name]

Greetings Representative [Last Name],

I respectfully wish to bring to your attention two Federal proposals that will make it economically impossible for office-based doctors like me to treat Medicare patients. Practices will close, jobs will be lost, and access to medical care curtailed. I ask for your review of the issue, and for Congress to act to stop these unprecedented proposals.

**Issue #1: Drastic 2022 Medicare Payment Cuts to Office-based Doctors**

On July 13th, CMS issued the proposed Part B Physician Fee Schedule for CY2022. This regulation covers a wide gamut of issues related to Medicare, including proposed payment for next year across the range of medical services and procedures that CMS administers for our Medicare seniors.

In the Proposed Rule, CMS announced that they are proposing a change to the payment formula that will impact many doctors like me who care for seniors in a safe office setting where cost-effective, personal touch care is delivered, and patients can get to go home in the afternoon or evening.

Specifically, CMS is proposing to update the non-MD staff labor rates that are folded into the payment for the office setting, using current Federal labor data. This update hasn't been done in many years, and at face value, would seem to be a good thing. However, because of budget neutral nature of the Part B pool, this labor update causes the total pool of direct costs to rise by approximately 32%, most of which is the proposed higher clinical labor costs. But because of the budget neutral nature of the Part B pool, the "direct adjustment factor" (the factor CMS uses to keep the total direct Practice Expense input costs the same) went from 0.5916 in 2021 to a proposed 0.4468 in 2022.

As a result of this proposal, many office-based doctors like myself will see a severe reduction in our Medicare payment rates in 2022. Just in my field of vein medicine, the proposed cuts are about -22% to our key services.

As a frontline provider of cost-efficient office-based care to our nation's seniors, I have no objection with the CMS effort to update the clinical labor rates after 20 years. However, the burden of the pay-for is disproportionately distributed within the Medicare fee schedule on office-based doctors, whose procedures can often help to keep patients out of the hospital, and seniors in their homes. CMS should hold harmless specialized services performed in the office-based setting when implementing the much-needed update to clinical labor rates. To implement this new policy in the continuing public health emergency will curtail access to care for needed medical services, and be a mortal economic wound to office-based care for the remainder of the decade.

**Issue #2: Proposed 2022 Conversion Factor drives down payment – in a pandemic, now is not the time to incentivize patient care to migrate to Hospitals, Congress must Act**

In the Proposed rule, CMS sets the 2022 Conversion Factor at \$33.5848. Broadly, the Conversion Factor is used to multiply physician work values into payment.

As you know, in late December of 2020, Congress stepped in, and with the Consolidated Appropriations Act (CAA) of 2021, set the current 2021 Conversion Factor at \$34.8931.

Because of the expiration of the CAA rate, if Congress does not intervene again, the proposed 2022 Conversion Factor rate of \$33.5848 will impact all doctors.

I ask that in the midst of the Public Health Emergency, when our nation is trying to preserve hospital capacity for the neediest patients, that Congress intervene and maintain the current CF at the 2021 rate of \$34.8931.

I thank you for your time, and am at your service for further discussion.

With Best Regards,  
[Your Name & Contact information]