

RESOLUTION

Subject: Medicare Physician Payment Reform

Submitted by: Lexington Medical Society

Referred to: Reference Committee

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WHEREAS, Medicare physician payment has declined 29% from 2001 to 2024 when adjusted for inflation; and

WHEREAS, physicians are one of the few Medicare providers without payment adjusted for inflation rates; and

WHEREAS, declining reimbursements and rising practice and staff costs are crippling the sustainability of physician practices, thereby threatening patient access to high quality of medical care and negatively impacting current and future physician shortage; and

WHEREAS, the performance and reporting programs in Medicare's Merit-Based Incentive Payment System (MIPS) are built on outdated legacy systems, and their four components operate largely independently and lack cohesion; and

WHEREAS, Medicare physician pay cuts threaten health care access for seniors as well as patients in rural and underserved areas; and

WHEREAS, Congress is considering comprehensive, long-term solutions to the systematic problems with the current Medicare physician payment system; now, therefore, be it

RESOLVED, that KMA support Medicare physician payment system reform by advocating for federal legislation that ties annual Medicare physician payment updates to the Medicare Economic Index of practice cost inflation, revises budget neutrality policies to lessen inappropriate payment schedule conversion factor cuts and minimize revenue instability, and develops ways to reduce the administrative and financial burden of Merit-Based Incentive Payment System (MIPS) participation; and be it further

RESOLVED, that KMA encourages its members to join efforts aimed at raising awareness among fellow physicians, the public, and Kentucky's Congressional Delegation about the necessity of Medicare physician payment reform.