

April 25, 2023

As has been conveyed to Congress many times in the past, the Medicare payment system is broken. Underpayment for services provided to patients has grown from a concern to a crisis and finding a solution is crucial in order to alleviate the growing access to care dilemma that Medicare patients face.

North Carolina presently has 2.2 million Medicare beneficiaries, and that number is growing. Our physician and physician assistant members are committed to serving these North Carolinians and we are hopeful that Congress will take action to bring stability to the flawed payment system to ensure care is there when those citizens are in need.

Physicians are the only providers whose Medicare payments do not automatically receive an annual inflationary update. As a result, Medicare physician payments have lagged 26% behind the rate of inflation growth since 2001. This is an unsustainable trend, especially in light of the current period of inflation and the lingering impact of the disruptive pandemic.

Relief through congressional action may now be on the horizon, thankfully. We were relieved to learn that a bipartisan group of physician members of Congress has introduced H.R. 2474, the **Strengthening Medicare for Patients and Providers Act**. This legislation would reform the defective Medicare payment system and provide annual inflationary updates, based on the Medicare Economic Index (MEI), for Medicare physician services. These adjustments would be similar to updates already received by other health care providers.

This legislation is a great step toward fixing payment inequities and injecting more financial stability into physician practices. The measure will allow physicians and medical practices to invest in advanced technologies and expand their care capacities, which will bring assurance that Medicare beneficiaries will have access to high-quality care.

We are asking for your support of H.R. 2474 and efforts to fix the Medicare payment system. Your consideration would be appreciated, as is your service on behalf of North Carolina.

Cordially,



Chip Baggett, JD
Executive Vice President and CEO
North Carolina Medical Society