

Proposed 2024 Medicare Physician Fee Schedule Raises Call for Congress to Take Action to Support Primary Care Urge Congress to Prioritize Medicare Physician Payment

Centers for Medicare and Medicaid Services released its [proposed Medicare Physician Fee Schedule for 2024](#) ([click here](#) for a fact sheet) calling for a 3.34% cut to the fee schedule's conversion factor—the formula used to calculate physicians' payment for services and procedures under Medicare's fee-for-service system. A reduction in the conversion factor means a reduction in Medicare payments, further increasing the gap between practice expenses and payment. Payments overall would decrease by 1.25% compared to 2023.

"These cuts are unacceptable and could threaten practice stability and undermine physicians' goals of increasing access to primary care. MedPAC and the Medicare Board of Trustees share our concerns and recently recommended action to update payment rates," said AAFP President Tochi Iroku-Malize, MD, in an AAFP statement.

AAFP is calling on Congress to take action to:

- Enact an annual inflationary update to help ensure physician payment rates keep pace with rising practice costs
- Address Medicare budget-neutrality requirements, which limit the ability to correct the long-term underinvestment in primary care instead of paying appropriately for all the services patients need

Aside from AAFP's concerns with the conversion factor in the 2024 proposed fee schedule, the Academy applauded CMS for including updated coding and payment regulations in its proposal, which would advance primary care; namely by:

- Reimbursing telehealth provided to patients in their homes at the normally higher non-facility rate
- Continuing to cover and reimburse for telehealth services listed on the Medicare Telehealth Services List, through 2024
- Continuing to allow for direct supervision by a practitioner through real-time telecommunications through 2024

- Permitting split or shared E/M visits to be billed based on either history, exam, or medical decision-making, or alternatively, time, through the end of 2024
- Implementing the G2aa add-on code, which is meant to more appropriately value the physician work involved in providing continuous, longitudinal primary care; despite the proposed reduction to the Medicare conversion factor, implementation of the G2211 code is expected to result in a small net increase in allowed charges for family medicine in 2024
- Increasing the value of the general behavioral health integration codes
- Ending implementation of the burdensome Appropriate Use Criteria program by rescinding existing regulations.

Members of the public can comment on the proposed rule until Sept. 11; CMS will issue final payment policies later this fall. In the meantime, the AAFP Government Relations team is analyzing the full impact of the 2,000-plus page rule and [asks family physicians to contact their members of Congress](#) to urge them to prioritize Medicare physician payment; thus, supporting primary care and strengthening access to care for Medicare beneficiaries.

In the U.S. House of Representatives, a bipartisan group of physician lawmakers has introduced the Strengthening Medicare for Patients and Providers Act (HR 2474), which would help modernize Medicare physician payment by annually updating Medicare payment rates to account for inflation. There is not yet a Senate companion to this legislation, so it's crucial that your lawmakers hear from you today!