

Modernizing Medicare and Medicaid Physician Payments is Necessary to Preserve Access to Care

Payment rates are an important determinant of how accessible healthcare services are to beneficiaries. For example, low payment rates often require practices to spend more money caring for patients than they receive in payment. This puts a significant strain on practices and, more broadly, Medicare- and Medicaid-enrolled individuals and families seeking access to care. That's why American Academy of Family Physicians and Michigan Academy of Family Physicians are calling on Congress and the Michigan Legislature to take action to modernize Medicare and Medicaid physician payments.

Speak Out on Medicare Payments: Ask Your U.S. Representative to Support HR 2474

Physicians and the organizations that support them, including American Academy of Family Physicians and Michigan Academy of Family Physicians, have long told Congress that Medicare's current payment system undermines the provision of high quality, comprehensive primary and preventive care, and it looks like Congress is responding!

A bipartisan group of physician-members of Congress recently introduced the Strengthening Medicare for Patients and Providers Act (HR 2474), which would help modernize Medicare physician payment by enacting a positive annual update to the conversion factor to account for rising practice costs. AAFP applauds the introduction of HR 2474, and it's crucial that your U.S. Representative hears from family physicians like you!

Without intervention from Congress, the current Medicare physician payment system will continue to hurt physician practices and undermine patients' access to care. Unlike nearly all other Medicare providers and suppliers, physicians do not receive an annual inflationary payment update, despite rising practice costs due to inflation. Subjecting physicians to passive payment cuts by failing to provide any inflationary update undervalues the foundational and important role family physicians play in helping our patients access high-quality, timely care.

[Urge your U.S. Representative to support primary care and strengthen access to care for Medicare beneficiaries by passing the Strengthening Medicare for Patients and Providers Act](#) »

MAFP Building on 2022 Advocacy Win

Last year, MAFP achieved a significant advocacy win for members and their patients, with the inclusion of \$15 million in the Fiscal Year 2023 state budget to increase payment for certain

Medicaid primary care and well child visits. This Medicaid payment uplift went into effect October 1, 2022, bringing rates for eligible services up to 95% of Medicare payment rates.

Today, Gov. Whitmer and the Michigan Legislature are currently in the midst of negotiating the state's Fiscal Year 2024 budget, which takes effect Oct. 1, 2023. Throughout the budget process, MAFP is advocating the state retain the \$15 million we secured for increased Medicaid payment rates this year and invest an additional \$129.7 million to increase payment rates for primary care, dental, and neonatal services—of which \$73.8 million is for physician professional services. This investment would further advance equitable access to care for Michigan's Medicaid beneficiaries.

The Medicaid payment uplift is among MAFP's advocacy priorities. We are also educating state lawmakers on the importance of:

- Investing in the primary care workforce, such as through the MIDOCs residency program and the Michigan State Loan Repayment Program
- Preserving telemedicine policies and payment that were expanded to increase access to care during the COVID-19 public health emergency
- Preserving physician-led team-based care, to protect the health and wellness of patients
- Protecting against gun violence in Michigan by addressing safe storage, calling for background checks on all firearm purchases, and instituting red flag laws

MAFP [submitted a letter on April 10](#) to Michigan Rep. Christine Morse, chair of the House Appropriations Subcommittee on Health and Human Services, requesting that as the subcommittee deliberate its budget priorities, it support the recommendations of Gov. Whitmer in her executive budget proposal:

- Allocating \$73 million for increasing certain Medicaid primary care rates
- Maintaining \$6.4 million for MIDOCs residency programs
- Maintaining \$1.5 million for the Michigan State Loan Repayment Program