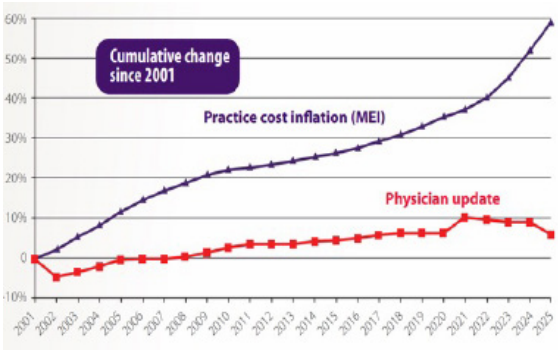
2025 Annual Urology Advocacy *Summit*

Medicare Physician Payment Reform

The Problem

In CY 2025, specialty physicians are facing a 2.83% cut to Medicare reimbursement. Additionally, the rules governing Medicare physician payment have not kept pace with the rising costs of practicing urology.



The Solutions

Cosponsor legislation to address Medicare payment reductions:

Medicare Patient Access and Practice Stabilization Act (H.R. 879) eliminates the 2.83% cut and adds 2% for inflation to the MPFS conversion factor effective April 1 to December 31, 2025.

The Issue

Congress did not act to mitigate or eliminate cuts to the Medicare Physician Fee Schedule (MPFS) conversion factor for the second year in a row. The cuts continue to be driven by the MPFS' budget neutrality requirements and a lack of inflationary adjustments.

Inflationary Adjustments: The Medicare physician payment system lacks an inflation-based annual update, in stark contrast to the automatic increases given to other Medicare payment systems. The decline in reimbursement undermines physicians' ability to deliver essential medical services, jeopardizing patient access to timely and high-quality care.

Budget Neutrality: Current Medicare rules require that changes to the MPFS be implemented in a budget neutral manner, which means policies that increase or decrease Medicare spending by more than $20 million require that upward or downward adjustments be made by that excess amount to all physician services.

Facts

Medicare physician payment has been reduced by **33%** when adjusted for inflation from 2001-2025

The **$20 million** Budget Neutrality threshold hasn't been increased since **1989**