

AMERICA'S PHYSICIAN GROUPS

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Proposed Legislation, The Patient First Act of 2026, Would Provide Major Financial Relief For Nation's Physicians, Help To Ensure Access to Care For Patients, And Boost Accountable Care, America's Physician Groups Says

Washington, DC, July 15, 2026 – America's Physician Groups (APG) – the premier national organization representing physician groups committed to having accountability for the costs and quality of health care – salutes the bipartisan lawmakers in the House of Representatives who have introduced and sponsored the [Patients First Act](#) of 2026. APG particularly thanks Representatives John Joyce, M.D. (R-PA), Greg Murphy, M.D. (R-NC), and Kim Schrier, M.D. (D-WA) in leading this initiative. "If enacted, this proposed legislation would provide major financial relief for the nation's physicians and other clinicians who care for Medicare patients; continue to ensure access to care by those patients; and spur the movement of more clinicians into accountable care models – all goals shared by the most forward-thinking physicians in the nation," said Susan Dentzer, APG's president and chief executive officer.

APG has been among the organizations who have met regularly with the sponsors and their staffs as the legislation was shaped, and greatly appreciates its final provisions, as follows:

- **A permanent inflation adjustment** in the so-called conversion factor that determines annual adjustments in the Medicare Physician Fee Schedule (MPFS). Under the bill, the conversion factor will be linked to the Medicare Economic Index, the key measure of practice cost inflation, and will rise annually at the rate of the MEI minus one percentage point, and minus 0.5 percentage points for clinicians engaged in Alternative Payment Models (APMs).

Such a proposal is essential to arresting the long inflation-adjusted decline in Medicare physician payment that has resulted in these fees falling more than 30 percent in real terms since 2001, Dentzer said, noting that the Centers for Medicare & Medicaid Services (CMS) has now proposed additional fee cuts for 2027 in its latest proposed MPFS rule. "Linking the fee schedule to at least a share of the increase in practice costs inflation is essential to maintaining physician practices and access to care for Medicare beneficiaries," said Dentzer. "What's more, this proposed differential inflation update would appropriately reward clinicians in APMs for taking on greater accountability for costs and quality."

- **A new hybrid payment model** for primary care practices to be tested over a five-year period. APG has supported creation of such a model, which would combine predictable capitated payments to practices to cover a large share of expected annual primary care costs along with some traditional fee-for-service payments for specific services. APG has long argued that such a model would strengthen primary care and equip smaller practices with the tools and capabilities that they will need to move more into risk-based alternative payment models over time.
- **Creation of a new quality reform task force** composed of clinicians and CMS officials to draft and submit recommendations to the Secretary of Health and Human Services for new quality measures. APG agrees that quality measures should be focused as much as possible on patients' outcomes, rather than processes; should be consistent across CMS programs; and should be consistent with driving the health care system toward greater levels of quality without imposing undue administrative burdens.
- **A freeze on the existing thresholds for participation** in Advanced Alternative Payment Models (AAPMs) that influence the eligibility of clinicians to receive AAPM bonuses for participation in these models. APG believes that stability in this portion of the Quality Payment Program will further encourage clinicians' entrance into these models.

APG looks forward to working with members of Congress and their staffs to encourage enactment of these provisions into law. Susan Dentzer also wishes to thank her colleagues, Valinda Rutledge, APG's executive vice president of policy and advocacy, and Jennifer Podulka, senior vice president of federal policy, for their assiduous work to convey APG's views to the bipartisan lawmakers who shaped the Patients First Act.

About America's Physician Groups

APG's more than 300 physician groups comprise roughly 260,000 physicians and other clinicians providing care to nearly 90 million patients, including an estimated 1 in 4 Americans and 1 in 3 Medicare Advantage enrollees. APG's motto, 'Taking Responsibility for America's Health,' represents our members' commitment to clinically integrated, coordinated, value-based health care in which physician groups are accountable for the costs and quality of patient care. Visit us at www.apg.org.

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