



Welcome to *Washington Update*, the weekly e-newsletter on the latest health care happenings in the nation's capital that affect APC's members.

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On Eve Of Issuance Of Final Medicare Rule, New Efforts To Replace Physician Fee Cuts With Fee Hikes Emerge

As the Centers for Medicare & Medicaid Services (CMS) prepares to publish the final Medicare Physician Fee Schedule (MPFS) rule for 2025, expectations are that the regulation will contain the same or similar overall 2.8 percent Medicare fee cuts that were part of the [proposed rule](#) published last July (*Washington Update, July 12*). That expectation – and an apparent effort to set the terms for a looming congressional debate – prompted a [bipartisan group](#) of House members to float [proposed legislation](#) this week for something dramatically different: a 4.73 percent Medicare physician pay hike in 2025, rather than a cut.

The bipartisan group argued that the fee increase was needed to offset years of effective pay declines and “protect Medicare for physicians and patients alike,” Rep. Greg Murphy, MD (R-NC), a urologist, said in a news release. Rep. Kim Schrier, MD (D-WA), a former pediatrician, noted that since 2002, adjusting for inflation, “physicians have essentially taken a 26 percent pay cut from

Medicare," even as overhead costs have increased by about 47 percent for office rent, labor, equipment, and insurance.

In the face of next week's elections, and amid a temporary extension of fiscal 2024 government spending until Dec. 21, it remains unclear whether or when Congress could act to scale back any proposed physician fee cut before it takes effect on Jan. 1. A key obstacle has been the sum of money that would be needed as a [budgetary offset](#) for the higher spending inherent in blunting even a portion of the scheduled fee cut. Raising fees, as the bipartisan group proposes, would cost billions of dollars more, and may be unlikely amid ongoing budget battles and fiscal constraints.

Other unknowns: APG will closely examine the final MPFS rule once it is released to learn the fate of both the original proposed fee cut as well as other provisions, including one that would advance payment to Medicare ACOs with a history of earning shared savings. Join the **APG Learning Session** webinar on Wednesday, November 20 at 3:00 pm ET; register [here](#).



House And Senate Republicans Set Schedule For Post-Election Leadership Contests

House and Senate Republicans have set a hopeful schedule for leadership elections just a week after the Nov. 5 general election, when at least some races may not have been decided – raising the distinct possibility that the schedule could be delayed. There has been no word as yet for comparable moves on the Democratic side of the House and Senate.

The Senate Republican leadership says it will hold its internal party election on Wednesday, Nov. 13. The contest – to succeed longtime Senate Republican leader and current Senate Majority leader Mitch McConnell – currently features several candidates, including Sens. **John Thune** (R-S.D.), **John Cornyn** (R-Texas) and **Rick Scott** (R-Fla.).

House Republicans also have scheduled a leadership candidate forum for Nov. 13 at 9:00 am ET, with their election to take place at 2:30 pm ET. The decision is likely to be a test for current House Speaker Mike Johnson, whose party may or may not be in the majority as of January.



In Case You Missed It

- **Physician-led organizations focused on primary care produced top results** in the Medicare Shared Savings Program in 2023, earning “significantly higher net per capita savings than ACOs with a smaller proportion of primary care physicians,” CMS [announced](#) this week. APG saluted the results of its high-achieving member organizations participating in MSSP in a [news release](#).
- A bipartisan group of House members again [urged](#) the U.S. Drug Enforcement Administration to extend **flexibilities for telemedicine prescribing of controlled substances** while the agency creates a special registration process for such remote prescribing, as proposed in [legislation](#) now stalled in Congress.
- The Department of Health and Human Services is expected to issue by the end of the year new cybersecurity requirements for HIPAA-regulated entities such as APG member organizations. The proposed changes to the [HIPAA Security Rule](#) are now undergoing review by the White House Office of Management and Budget. A special [cybersecurity discussion](#) will be featured at APG’s Fall Conference on Nov. 12, 2024. Register [here](#).



APG Announcements And Offerings

- IT'S NOT TOO LATE TO [REGISTER!](#) - **APG Fall Conference 2024 - Health Care Strong: Embracing Change and Thriving in Uncertain Times - will be held November 11 – 13 in Washington, DC.** Don't miss our superb lineup of speakers and unparalleled networking opportunities.
- APG will host an **Emerging Trends in Health Care Webinar** on **Thursday, November 14, 1:15 pm – 2:00 pm ET**, with guest [Patrick Conway, MD](#), CEO of Optum Rx, former Chief Medical Officer and Deputy Administrator for Center for Medicare and Medicaid Innovation Center. You can register for the webinar [here](#).
- APG will host a **Learning Session Webinar** on **Wednesday, November 20, 3:00-4:00 pm ET**, about the Centers for Medicare & Medicaid Services' (CMS) 2025 Medicare Physician Fee Schedule Final Rule. You can register for the webinar [here](#).

- The next APG Hosted Webinar, "**Approaches to Systemic Obesity Care: Utilization of Pathways & Protocols to Create a Comprehensive Obesity-Care Program,**" will take place on **Tuesday, December 3, 3:00 pm - 4:00 pm ET, featuring [Angela Fitch, MD](#)**. The webinar will be presented by Novo Nordisk. You can register [here](#).
- Want to get more involved in APG's Federal advocacy efforts? [Join APG Advocates today](#).

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