

Inside this issue

- [Impending Medicare Reimbursement Cuts](#)
- [SHM Submits Comments on IPPS, PFS, and OPPS Proposed Rules](#)
- [EAGLE Act--Working to Address Barriers for High-Skilled Immigrants](#)
- [SHM Joins Statement Opposing Texas Legislation that Endangers the Patient-Physician Relationship](#)

Impending Medicare Reimbursement Cuts

In January 2022, SHM estimates that providers who bill Medicare will face an approximate 10 percent cut to their Medicare reimbursements. These cuts are a result of multiple compounding factors. In 2021, Congress passed legislation that included a 3.75 percent increase to Medicare reimbursement rates to help offset budget neutrality adjustments in the Physician Fee Schedule. However, this temporary offset is set to expire at the end of the year without Congressional action. Additionally, the temporary reprieve of the 2 percent sequester, which is across-the-board cuts to Medicare spending, is also set to expire at the end of the year. Finally, there is a new, negative 4 percent statutory PAYGO sequester resulting from the passage of the American Rescue Plan Act.

The combination of these factors lead to disastrous payment cuts for hospitalists who bill Medicare. These reimbursement cuts, coupled with the financial challenges associated with the ongoing COVID-19 pandemic, will exacerbate staffing problems and consequently harm patient care. One hospitalist group shared they developed plans to rework staffing models, lower case volumes, and reimagine clinical and non-clinical roles to alleviate high clinician burnout and the threat of their physicians leaving the profession. The slated 10 percent cut will severely hamper these efforts and risks further demoralizing and damaging an already vulnerable healthcare system.

SHM sent a [letter](#) to Congressional leaders, urging them to mitigate these payment cuts and we will continue to advocate against these devastating cuts.

Please urge your elected officials to take action to mitigate these payment cuts. You can send a message from our Legislative Action Center by [clicking here](#).

[Top](#)

SHM Submits Comments on IPPS, PFS, and OPFS Proposed Rules

Each year, the Centers for Medicare and Medicaid (CMS) issue a series of proposed rules for the Medicare payment systems. These rules include proposals related to reimbursement rates, quality payment programs, and more. All proposed rules are subject to a public comment period and CMS then reviews and reacts to comments. SHM review the proposed rules and submits official comments on behalf of SHM membership.

Inpatient Prospective Payment System (IPPS) Comments

The IPPS Proposed Rule includes yearly updates to the hospital payment system and proposals for programs intended to improve and measure quality in the inpatient setting. SHM issued comments related to several programs, including the Hospital Readmissions Reduction Program and the Hospital Value-Based Purchasing Program.

The IPPS proposed rule also included a Request for Information (RFI) about closing the health equity gap in hospital quality programs. While SHM lauds CMS for their commitment to achieving equitable outcomes, we cautioned CMS to ensure practices like stratifying quality measures by race and ethnicity do not inadvertently deepen existing inequities.

To read our full comment letter, please [click here](#).

Physician Fee Schedule (PFS) Comments

The annual PFS proposed rule includes updated Medicare payment rates for services provided by physicians and other clinicians. However, all adjustments to payment rates made in the PFS must remain budget neutral, meaning that increased reimbursement rates for some services necessitate lower rates for other services. After accounting for the expiration of a Congressionally appropriated pay increase for 2021, there will be an approximate 3.7 percent Medicare conversion factor cut across the entire PFS starting on January 1, 2022. SHM continues to advocate against cutting provider reimbursement, particularly while the country continues to face the COVID-19 pandemic.

Beyond the reduction in payment rates, SHM commented on proposals related to the expansion of telehealth services and billing for split or shared visits. We also provided feedback on the proposals related to the Quality Payment Program and the new MIPS Value Pathway (MVP) reporting option in the Merit-based Incentive Payment System (MIPS). We continue to work to shape the QPP to make it more relevant and reflective of the work hospitalists do.

To read our full comment letter, please [click here](#).

Outpatient Prospective Payment System (OPPS) Comments

The OPSS proposed rule issues yearly updates to various Medicare programs that primarily impact the outpatient setting. However, last year, CMS proposed to eliminate the Inpatient Only (IPO) List, which identified services that could only be reimbursed in the inpatient setting. SHM expressed concern about the wholesale elimination of the IPO list and its potential unintended consequences of decreased safety and increased out-of-pocket costs for patients. In the 2022 OPSS proposed rule, CMS proposed to reverse the elimination of the IPO list and return to a more structured process for removing services from the list. SHM supports the proposed reversion and continued to encourage CMS to consider beneficiary out of pocket costs when moving services off of the IPO list in the future.

To read our full comment letter, please [click here](#).

[Top](#)

EAGLE Act--Working to Address Barriers for High-Skilled Immigrants

SHM continues to support legislation that will improve and simplify the employment-based immigration system. The Equal Access to Green Cards for Legal Employment Act (EAGLE Act) will convert the existing immigration into a "first-come, first service" system that does not discriminate on the country of origin. Immigrant physicians provide high-quality, lifesaving medical care throughout the country, particularly in rural and underserved communities. Throughout the pandemic, immigrant hospitalists have risked their health and safety to care for patients. The decades-long wait for green cards limits their professional opportunities and creates uncertainty for them and their families.

Passing the EAGLE Act will help alleviate the green card backlog and ensure highly skilled hospitalists are not disadvantaged because of their country of origin. To read our letter of support, please [click here](#). To send a message to your representatives, urging them to pass this legislation, please [click here](#).

[Top](#)

SHM Joins Statement Opposing Texas Legislation that Endangers the Patient-Physician Relationship

SHM joined numerous leading physician groups to express our deep concerns about the consequences of recently passed Texas state abortion law that impedes long-established boundaries of patient-physician relationships and medical decision-making. The legislation erects barriers to physicians providing evidence-based and medically necessary care and information to their patients and providing guidance to patients as they make decisions about their personal health. The patient-physician relationship is intimate and based on mutual respect and trust. However, this legislation enables private citizens outside of that relationship to intervene on private, confidential medical decisions. This is unacceptable. SHM opposes legislation

that interferes with the patient-physician relationship, jeopardizes the health of patients, and impedes the act of advising and caring for patients.

To read the complete statement, please [click here](#).

[Top](#)

You are currently subscribed to a mailing list of Society of Hospital Medicine. If you wish to unsubscribe, please click [here](#).