



Valuing the Care Provided by Internal Medicine Physicians

Protect patients' access to care by ensuring fair and appropriate physician compensation, including annual inflationary adjustments and waiving the co-pay associated with Advanced Primary Care Services.

Why is Action Needed?

Patient care has been jeopardized as the Medicare Physician Fee Schedule (PFS) fails to provide physicians with the resources to keep up with rising expenses and the cost of caring for patients. The PFS has not been updated to account for inflation; as a result, payment rates have actually decreased by a staggering 29 percent over the past two decades when adjusted for inflation.

Without federal legislation that provides a payment increase reflecting rising inflationary pressures, patient access will suffer and the sustainability of physician practices across the country, particularly in rural and underserved communities, will be threatened.

In addition to a failure to provide annual payment updates that keep up with inflation, one of the structural challenges of the current PFS system is the statutory budget neutrality (BN) requirement. Under this requirement, any increases to physician services within the PFS final rule must be offset by an arbitrary across-the-board BN reduction to all services paid under the PFS. The 2025 PFS final rule mandated a 2.83 percent cut physician payment. Congress is considering legislation to avert most of the cut.

Although Congress has provided some relief to physicians in previous years to mitigate the impact of physician payment cuts, this patchwork system of cuts and partial relief is not sustainable for physicians to invest in high quality care for our nation's seniors. Long-term structural reforms are needed to ensure stability for seniors' access to care and that physicians work in a system that provides consistent, stable and positive, updates that keep up with the cost of inflation.

ACP's Position

We urge Congress to provide a positive update to the PFS annually. We urge Congress to ensure that the Medicare PFS provides annual updates consistent with the Medicare Economic Index. We also ask Congress to enact comprehensive structural reforms to the PFS to prevent annual across the board cuts to physician services.

Additionally, CMS is implementing a new enhanced program for Advanced Primary Care Management (APCM) services aimed at relieving administrative burdens and more appropriately reimbursing physicians caring for patients with complex medical and social needs. ACP is concerned that cost-sharing associated with these services could hinder beneficiary consent and uptake. We urge Congress to waive cost sharing for these services.