November 12, 2026

The Honorable Mike Johnson
Speaker of the House
H-232, U.S. Capitol
Washington, DC 20515

The Honorable John Thune
Senate Majority Leader
S-230, U.S. Capitol
Washington, DC 20510

The Honorable Hakeem Jeffries
House Democratic Leader
H-204, U.S. Capitol
Washington, DC 20515

The Honorable Charles E. Schumer
Senate Democratic Leader
S-221, U.S. Capitol
Washington, DC 20510

Dear Speaker Johnson, Leader Thune, Leader Jeffries, and Leader Schumer:

On behalf of the undersigned physician organizations, we urge Congress to protect Medicare patients' access to care and advance meaningful Medicare payment reform in any end-of-year legislative package. We appreciate the work Congress has done this year to support physicians and the patients they serve. Medicare physician payment has fallen approximately 33 percent since 2001 when adjusted for inflation in practice costs, and the physician fee schedule remains the only major Medicare payment system without automatic inflation-based updates. As payment falls further behind the cost of providing care, it becomes harder for physician practices, particularly those that are small, rural, and independent, to keep caring for Medicare patients. This payment disparity also drives up consolidation and increases health care costs, which have a real impact on patients and their access to care. Accordingly, we urge Congress to:

Extend the 2.5 percent physician payment update through 2027. The Centers for Medicare & Medicaid Services (CMS) projects a 2.5 percent increase in practice costs next year. Continuing the update Congress provided for 2026 would help narrow the gap between Medicare payment and rising costs. The Medicare Payment Advisory Commission has also recommended increasing the 2027 physician payment update above current law.

Enact the bipartisan Provider Reimbursement Stability Act (H.R. 8163/S. 5180). Approved 44–0 by the House Ways and Means Committee, this legislation would require CMS to prospectively correct budget neutrality adjustments when actual service use differs substantially from its estimates. The Congressional Budget Office identified two CMS overestimates since 2015 that together lowered physician payment rates by approximately 1.8 percentage points. Physicians and patients should not face permanent cuts to offset spending that never occurred.

Delay the modifier 25 payment reduction for one year. In the calendar year 2027 physician fee schedule, CMS finalized a reduction in payment for the lower-valued service when a separately identifiable office visit and certain procedures are provided on the same day. Existing valuation processes already address overlapping work, and CMS has not demonstrated that this broad reduction is justified. The cut would particularly threaten independent office-based practices and could result in payments that

are less than the direct cost of some services. More than 80 bipartisan members of Congress urged CMS not to finalize this reduction.

Cap Merit-based Incentive Payment System (MIPS) penalties at 2 percent and require timely, actionable performance data. Physicians often receive feedback long after the performance year, leaving little opportunity to improve care. Nearly 40 percent of solo clinicians were penalized this year based on 2024 MIPS scores. Quality improvement should be driven by useful data provided during the performance year, not penalties of up to 9 percent.

Together, these steps would provide near-term stability while advancing broader reform of the Medicare Access and CHIP Reauthorization Act of 2015, including predictable, inflation-based updates to ensure Medicare delivers on its guarantee to provide patients with access to the local physicians who treat them. We appreciate your leadership and stand ready to work with you to enact these provisions this year.

Sincerely,

American Medical Association
American Academy of Allergy, Asthma & Immunology
American Academy of Dermatology Association
American Academy of Facial Plastic and Reconstructive Surgery
American Academy of Family Physicians
American Academy of Hospice and Palliative Medicine
American Academy of Neurology
American Academy of Ophthalmology
American Academy of Otolaryngic Allergy
American Academy of Otolaryngology Head & Neck Surgery
American Academy of Pediatrics
American Academy of Physical Medicine and Rehabilitation
American Association of Neurological Surgeons
American Association of Orthopaedic Surgeons
American Clinical Neurophysiology Society
American College of Allergy, Asthma and Immunology
American College of Cardiology
American College of Emergency Physicians
American College of Gastroenterology
American College of Mohs Surgery
American College of Obstetricians and Gynecologists
American College of Physicians
American College of Radiology
American College of Rheumatology
American College of Surgeons
American Gastroenterological Association
American Geriatrics Society
American Osteopathic Association
American Psychiatric Association
American Rhinologic Society
American Society for Clinical Pathology
American Society for Echocardiography

American Society for Gastrointestinal Endoscopy
American Society for Radiation Oncology
American Society for Surgery of the Hand
American Society of Anesthesiologists
American Society of Breast Surgeons
American Society of Cataract & Refractive Surgery
American Society of Hematology
American Society of Nephrology
American Society of Nuclear Cardiology
American Society of Plastic Surgeons
American Society of Retina Specialists
American Society of Transplant Surgeons
Association for Clinical Oncology
Association of American Medical Colleges
Congress of Neurological Surgeons
Endocrine Society
Heart Rhythm Society
Infectious Diseases Society of America
International Pain and Spine Intervention Society
Medical Group Management Association
North American Spine Society
Post-Acute and Long-Term Care Medical Association
Renal Physicians Association
Society for Cardiovascular Angiography and Interventions
Society for Vascular Surgery
Society of Cardiovascular Computed Tomography
National Medical Association
Society of Hospital Medicine
Society of Interventional Radiology
Society of Thoracic Surgeons