

## How much longer can short-term band-aids stave off Medicare's long-term bleed?

By Karen I. Mathiak

To say the Covid pandemic disrupted our healthcare system would be a massive understatement.

[According to the CDC](#), 41% of US adults avoided at least some medical care due to concerns related to the pandemic. Those who reemerged to seek medical care most likely saw a very different healthcare landscape.

Sad to say, this may only be the tip of the iceberg. Going forward, it may be increasingly difficult for patients with Medicare to see a health care professional, especially in rural parts of Georgia like Spalding County.

Circumstances in Washington have aligned in such a way that cuts to Medicare provider reimbursement in 2023 could total nearly 10%. Three factors are contributing to these drastic cuts.

The Centers for Medicare and Medicaid Services has proposed a 4.42% cut to payments. In addition, Congressional Pay-As-You-Go (PAYGO) rules will trigger an automatic 4% cut to all Medicare provider payments whenever federal spending hits a certain level. These cuts will kick in next year.

To date, Congress has treated these cuts with temporary Band-Aids. For example, it suspended Medicare sequestration cuts in 2020 and 2021. It can do so again this year, but time is running out.

It is certainly true that politicians on both sides of the aisle must find a way to come together and address the serious crisis in Medicare's payment system by putting forward reforms that establish sustainability for physicians and other health professionals, and ensure Medicare patients maintain access to quality care. But the system should not be taken to the brink of destruction and threaten patients and their caregivers alike with devastating short-term consequences in order to usher in meaningful, long-term reform.

For health care professionals who bill under the Medicare physician fee schedule, the cost of running a practice has [risen 39%](#) over the last 2 decades while payments, adjusted for inflation, [shrunk by half](#). Over that same period, payments for skilled nursing facilities and inpatient and outpatient visits increased upwards of 60%.

Physicians and other Medicare providers need to make a significant commitment in order to comply with the Medicare Merit-Based Incentive Payment (MIPS) system. A [JAMA Health Forum study](#) found that "an average of \$12,811 per physician was spent to participate in MIPS in 2019. Clinicians and administrators spent more than 200 hours per physician on MIPS-related activities."

Given these significant financial costs and time commitments, coupled with diminishing Medicare payments, it is increasingly difficult for many providers to justify participating in Medicare. At this rate, rural Georgians will be hard pressed to find someone willing and able to treat them.

Congress must step in.

First things first, it should pass new legislation to prevent the scheduled 4.42% cuts and provide an inflation-based, payment update on January 1, 2023.

Then, when a new Congress convenes, it needs to undertake a top-to-bottom reform of the Medicare payment system to establish a new model commensurate with the contributions these health care professionals make toward high-value care and rewards associated cost savings across the health care system, such as preventing hospitalizations. This reform effort also needs to ensure financial stability by permanently establishing baseline positive updates that reflect costs associated with providing high-quality care.

Small, temporary Band-Aids don't work when the patient is suffering from a gaping wound. And that's where we are headed with regard to Medicare's current payment model. Rural Georgia is at risk of losing those who provide quality care to our 1.7 million patients with Medicare.

Georgia's federal delegation should lead the charge on this important reform effort.

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