



President Biden Signs Medicare Payment Fix Into Law

On December 10, President Biden signed a bill into law averting Medicare physician payment cuts previously scheduled to begin on January 1, 2022. The Protecting Medicare & American Farmers from Sequester Cuts Act was passed through both the House and Senate last week, receiving bipartisan support.

The bill makes a number of welcomed changes to avert payment cuts of approximately 10% to oncology as finalized under the CY 2022 Physician Fee Schedule (PFS), including:

- An extension of Medicare sequestration relief through March 2022. From March through June 2022, a 1% sequester would be applied before returning to the pre-pandemic 2% sequester in July. This is paid for by increasing the sequester applied in 2030 – to 2.25% for the first half of the year and 3% for the second half.
- A 3% bump in the CY 2022 PFS conversion fraction (CF). This will result in a net -0.75% CF reduction from the temporary increase enacted for CY 2021, but a 3% increase from CMS' final rule.
- A 1-year delay in CMMI's Radiation Oncology (RO) Alternative Payment Model, which will now begin on January 1, 2023.
- A provision preventing a new 4% Medicare sequester from taking effect. The bill advances FY 2022 PAYGO scorecard balances otherwise triggering a sequestration order into FY 2023, delaying the potential cuts.
- A 1-year delay in clinical lab reporting and payment cuts included in the Protecting Access to Medicare Act (PAMA) of 2014. The December 31, 2021 reporting deadline used to establish Medicare rates would be extended to December 31, 2022.

Action on the Medicare payment cuts comes after Congress failed to include a fix in a temporary spending bill passed on December 2, keeping the government funded through February 18, 2022. The Network immediately responded to this omission by sending a letter to Congressional leadership, urging legislation to fix the Medicare payment cuts before the end of the year.

To read the text of the bill, [CLICK HERE](#).

To read a copy of the letter The Network sent Congressional leadership, [CLICK HERE](#).