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## **Congress Walks Back 2022 Medicare Cuts**

Congress recently passed the Protecting Medicare and American Farmers from Sequester Cuts Act ([S. 610](#)) in an attempt to walk back reimbursement reductions totaling nearly 10% for providers. These reductions were set to go into effect January 1, 2022 but will either be eliminated or delayed by this new legislation.

The highlights of this bill are as follows:

- The Medicare Physician Fee Schedule (MPFS) will increase payments by 3% in 2022 (which is still down from the 3.75% increase in 2021).
- The 4% Medicare Pay-As-You-Go (PAYGO) sequester from the American Rescue Plan Act is eliminated through 2022.
- Cuts to the Clinical Laboratory Fee Schedule (CLFS) will be delayed by one year.
- The 2% Medicare sequester cut will be delayed in 2022. Implementation is pushed back from January through March, and then it will be phased in 1% from April to June and the remaining 1% after June.

This legislation comes largely as the result of sustained and substantial efforts by advocates such as the Medical Group Management Association (MGMA) and the College of American Pathologists (CAP). With that said, concerns continue to linger as to how sustainable this last-minute-fix approach by Congress really is. Indeed, a similar situation arose last December when Congress passed the Consolidated Appropriations Act to offset a 3.75% cut to Medicare payments resulting from budget neutrality requirements. One has to wonder how many such actions will be required in the future to stave off additional crises.

Providers and advocates continue to lobby Congress for more long-term solutions that address systemic issues. Doing so will be the only course of action that prevents avoidable disruptions in the healthcare industry.

As always, APS will continue to monitor any progress regarding this legislation or related issues. Please contact your Practice Manager with any questions.