



AMERICAN SOCIETY OF HEMATOLOGY

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2023

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The Honorable Charles Schumer
Majority Leader
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The Honorable Mike Johnson
Speaker
United States House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

The Honorable Hakeem Jeffries
Minority Leader
United States House of Representatives
Washington, DC 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Johnson, and Minority Leader Jeffries:

On behalf of the American Society of Hematology (ASH), we write urging you to pass legislation to eliminate the 3.37% cut to the Medicare Physician Fee Schedule conversion factor before it goes into effect on January 1, 2024. Our members and the Medicare beneficiaries they treat deserve to know that the Medicare system provides reimbursement stability and meets their most complex healthcare needs.

ASH represents more than 18,000 clinicians and scientists worldwide who are committed to the study and treatment of blood and blood-related diseases. These disorders encompass malignant hematologic disorders such as leukemia, lymphoma, and multiple myeloma, as well as non-malignant conditions such as sickle cell anemia, thalassemia, bone marrow failure, venous thromboembolism, and hemophilia. In addition, hematologists are pioneers in demonstrating the potential of treating various hematologic diseases and continue to be innovators in the fields of stem cell biology, regenerative medicine, transfusion medicine, and gene therapy. Our mission is to foster high-quality, equitable care, transformative research, and innovative education to improve the lives of patients with blood and bone marrow disorders.

Physician payments have stagnated for the last two decades. According to an American Medical Association analysis of Medicare Trustees data, Medicare physician payment has declined by 26 percent when adjusted for inflation from 2001–2023. Without Congressional action, hematologists, other physicians, and their practices will yet again face a cut to their reimbursement while practice costs continue to rise. The last statutory update to the conversion factor was applied in 2019; and since then, Congress has intervened when budget neutrality and other adjustments have resulted in reimbursement cuts.

ASH is deeply appreciative of the legislation Congress has passed to eliminate or mitigate cuts to the conversion factor over the last several years. Additionally, we recognize and appreciate that the Senate Finance Committee has approved legislation to reduce the cut to the 2024 conversion factor by 1.25%. However, this still leaves a remaining 2.12% cut to the conversion factor. We urge you to act now and provide meaningful relief to physicians.

The practice of hematology is rapidly evolving and becoming increasingly complex, requiring physicians, including hematologists, to stay current with the latest innovations as they evaluate and recommend new therapies to their patients, such as the introduction of cellular and gene therapies and the expanding availability of bone marrow transplantation. The proliferation of these new and complex therapies comes at a time when the costs of practicing medicine, including for clinical staff and supplies, are growing, while Medicare reimbursement, accounting for inflation, is shrinking. Therefore, eliminating the cut to the Medicare Physician Fee Schedule conversion factor before January 1 is critical, and equally as important, is comprehensive Medicare payment reform.

The House is currently considering legislation, H.R. 2474, *the Strengthening Medicare for Patients and Providers Act*, which would provide an inflationary update equal to the Medicare Economic Index to the conversion factor, like the updates in the other Medicare fee schedules. Additionally, the House is considering a discussion draft, the *Provider Reimbursement Stability Act*, to reform the budget neutrality requirements. We urge Congress to consider these and other legislative solutions in the new year to reform the reimbursement mechanisms in the Medicare Physician Fee Schedule, ensuring its stability and preserving patient access, and ending this cycle of cuts and financial uncertainty.

ASH welcomes the opportunity to work with you to address these issues affecting our members and their patients. Should you require further information, please use ASH Manager for Health Care Access Policy, Carina Smith (casmith@hematology.org or 202-292-0264), as your point of contact.

Sincerely,



Robert A. Brodsky, MD
President

cc: Chair Ron Wyden, Senate Finance Committee
Ranking Member Mike Crapo, Senate Finance Committee
Chair Jason Smith, House Ways and Means Committee
Ranking Member Richard Neal, House Ways and Means Committee
Chair Cathy McMorris Rodgers, House Energy and Commerce Committee
Ranking Member Frank Pallone, House Energy and Commerce Committee