



# Stop Medicare payment cuts to protect seniors' access to health care

Congress must quickly pass legislation to reverse the 2.8% Medicare physician payment cuts that took effect on Jan. 1 following the release of the Calendar Year 2025 Medicare Physician Fee Schedule Final Rule. Failure to reverse these cuts will be harmful to the continued viability of physician practices and their ability to care for patients. Entering their fifth consecutive year of payment cuts for Medicare services, physicians are at a potential breaking point.

## Why Congress must act now

- **Fifth consecutive year of cuts:** Physicians face a 2.8% cut in Medicare payments in 2025—the fifth consecutive year of reductions—while the cost of running a practice continues to rise.
- **Impact of inflation:** The Centers for Medicare & Medicaid Services (CMS) estimates that the Medicare Economic Index (MEI), which reflects practice cost inflation, will increase by 3.5% in 2025, yet physician payments continue to decline. Physicians' Medicare reimbursement has now been reduced by 33% since 2001 when adjusted for inflation in practice costs.<sup>1</sup>
- **Erosion of access:** Payment cuts force many physicians to limit the number of Medicare patients they treat, jeopardizing access to care for millions of Medicare patients.<sup>2</sup> These cuts will be felt hardest by small, independent practices, such as those in rural and underserved communities.

## Proposed legislative solution

The bipartisan **Medicare Patient Access and Practice Stabilization Act of 2025, H.R. 879**, will:

1. **Reverse the latest round of Medicare payment cuts** providing immediate financial relief to stabilize practices and preserve patient access.
2. **Provide an inflationary update** to ensure payments in 2025 begin to reflect the rising costs of delivering care, a critical step toward sustainable reform.

## Action request

Urge your House member to cosponsor **H.R. 879, the Medicare Patient Access and Practice Stabilization Act of 2025** to eliminate the pay cut that took effect on Jan. 1 and give Medicare clinicians a long overdue inflation-based update.

Urge your senator to introduce companion legislation to address these critical issues.

1. "Medicare physician payment continues to fall further behind practice cost inflation," accessed on Feb. 3, 2025. [https://fixmedicarenow.org/sites/default/files/2025-01/Medicare%20Gap%20Chart\\_2025.pdf](https://fixmedicarenow.org/sites/default/files/2025-01/Medicare%20Gap%20Chart_2025.pdf)

2. 2024 Medicare Trustees Report (page 196). Accessed on Jan. 24, 2025. <https://www.cms.gov/oact/tr/2024>