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In Response to Extensive Lobbying, Congress Recalibrates Medicare Physician Fee Schedule for 2021

In the December 2020 edition of *C.H.A.T.*, we reported on changes published by the Centers for Medicare & Medicaid Services (CMS) to the 2021 Medicare Fee Schedule, including pay increases and new codes for primary care physicians. These changes adversely impacted payments to many specialty physicians by decreasing the conversion factor to maintain required budget neutrality. Predictably, after publication of the CMS 2021 fee schedule in December, lobbying ensued, which resulted in Congress recalibrating the Medicare Physician Fee Schedule in the stimulus and government funding bill passed on December 21, 2020 (the Consolidated Appropriations Act, 2021).

There were several legislative proposals considered by Congress, but based on the continuing impact of the pandemic on the healthcare industry, lawmakers ultimately decided to give providers an across-the-board 3.75 percent pay increase for the 2021 calendar year and a three-year implementation delay for a previously approved new add-on code (G2211) for the complexity inherent in evaluation and management visits that would have benefited primary care providers.

Congress also suspended the 2 percent payment adjustment for the statutory Medicare sequester through March 31, 2021, and reinstated the 1.0 percent floor on work geographic practice cost indices through 2021.

CMS updated the Physician Fee Schedule as of January 7 to reflect these changes. See [here](#).

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