

## What's Happening With Vascular Surgeon Reimbursement In 2024 And What Are The Prospects For 2025: For Hospital And OBL Procedures

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Nothing to Disclose

### Physician Reimbursement Medicare Reimbursement Formula

- RBRVS formula for reimbursement (RVU)

Physician work (wRVU)  
Practice expense  
+ Malpractice  
Total

- Conversion factor governed by Congress
- Geographic Practice Cost Index (GPCI)

### Physician Reimbursement Recent Changes

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### Practice Expense "Re-Calculations" FY 2022 Clinical Labor Rates

- CMS increased the rate at which Clinical Labor Staff is calculated in the entire MPFS in 2022 – implemented over 4 yrs
  - Each CPT code embeds a certain amount of compensation for RNs, LPNs, x-ray techs, etc. at a rate of PE RVUs per minute
- No additional money added to part B so some other portion of the PE in the fee schedule must drop
- The CMS methodology to maintain budget neutrality disproportionately lowers overhead for services with high PE supplies – i.e., OBL overhead cuts are the pay-for

### PAYGO

- *Statutory Pay-As-You-Go Act of 2010* is a budgetary enforcement mechanism
  - Ensures legislation passed by Congress & signed by the President doesn't increase federal deficits
- *American Rescue Plan Act of 2021*
  - \$1.9 trillion COVID-19 relief package was passed in March 2021
  - Triggered 4% cut in Medicare payments for CY 2022

### PAYGO Delay Legislation

- *Protecting Medicare and American Farmers from Sequester Cuts Act, 2022*  
Delay the 4% “PAYGO” cut until 2023
- *Consolidated Appropriations Act, 2023*  
Delay the 4% “PAYGO” cut until 2025

### Proposed CY2024 Payments Return of the 2021 Deferred G-code

- G2211 add-on created by CMS for additional time or medical decision making beyond E/M coding
  - Originally proposed in CY 2021
  - Deferred by legislation until CY 2024
  - Assumed to be billed in 38% of office visits
  - The “pay-for” for this additional outlay – cut the CF

### Actual CY 2024 Payments

TABLE 116: Calculation of the CY 2024 PFS Conversion Factor

CY 2023 Conversion Factor		33,8872
Conversion Factor without the CAA, 2023 (2.5 Percent Increase for CY 2023)		33,8607
CY 2024 PFS Budget Neutrality Adjustment	-2.20 percent (0.9780)	
CY 2024 1.25 Percent Increase Provided by the CAA, 2023	1.25 percent (1.0125)	
<b>CY 2024 Conversion Factor</b>		<b>32,7375</b>

- Budget neutrality cuts 2.2% ↓CF
- Expiration of 2023 legislation 2.5% ↓CF
- Legislation from 2023 for CY 2024 1.25% ↑CF
- Finalized CY 2024 CF is \$32.74 3.4% ↓CF
- Decrease of \$1.15 from the 2023 CF of \$33.89

### Actual CY 2024 Payments Consolidated Appropriations Act, 2024

- Changed the enacted 1.25% CF increase from the 2023 legislation to a 2.93% increase
- CF for Medicare claims with dates of service:
  - January 1 through March 8, 2024: \$32.74
  - March 9 through December 31, 2024 : \$33.29

### November Final Rule CY 2025 Payments

TABLE 108: Calculation of the CY 2025 PFS Conversion Factor

CY 2024 Conversion Factor		32,3400
Conversion Factor without the CAA, 2024 (2.93 Percent Increase for CY 2024)		33,2875
CY 2025 Statutory Update Factor	0.00 percent (1.0000)	
CY 2025 RVU Budget Neutrality Adjustment	0.02 percent (1.0002)	
<b>CY 2025 Conversion Factor</b>		<b>32,3465</b>

*The 2025 final MPFS CF will drop 2.83%*

### CY 2025 Final Rule CMS Comments

The estimated impacts for several specialties, including vascular surgery, diagnostic testing facilities, interventional radiology, ophthalmology and optometry, hand surgery, and orthopedic surgery, reflect decreases in payments relative to payment to other specialties, largely resulting from the redistributive effects of the implementation of the Year 4 update to clinical labor pricing and/or the proposed adjustments to transfer of post-operative care for global surgical procedures. The services furnished by these specialties were negatively affected by the redistributive effects of increases in work RVUs for other codes, and/or rely primarily on supply/equipment items for their practice expense costs and, therefore, were affected negatively by the updated Year 4 clinical labor pricing under budget neutrality. These decreases are also due

## Strengthening Medicare for Patients and Providers Act (H.R. 2474)

*Automatic updates to physician Medicare payment rates linked to inflation*

**H. R. 2474**

107th CONGRESS  
1st Session

IN THE HOUSE OF REPRESENTATIVES

A BILL

To amend title XVIII of the Social Security Act to provide for an update to a single-representation cap under the Medicare physician fee schedule that is based on the Medicare economic index.

1. Be it enacted by the Senate and House of Representatives in Congress assembled,

2. That the Social Security Act be amended—

3. SECTION 1807 TITLE 18

4. This Act may be cited as the "Strengthening Medicare for Patients and Providers Act."

U.S. CONGRESSMAN  
**GREGORY F. MURPHY, M.D.**  
REPRESENTING THE DISTRICT OF MARYLAND

Home / Media / Press Releases

### Murphy Introduces Bipartisan Legislation to Protect Medicare for Physicians and Patients

October 29, 2018 [Press Release](#)

**Washington, D.C.** – Congressman Greg Murphy, M.D. issued the following statement after introducing the bipartisan Medicare Patient Access and Practice Stabilization Act to support physicians and protect access to care for Medicare beneficiaries.

"Ensuring physicians are at a breaking point and access to high-quality, affordable care is at risk for millions of Medicare patients," said Congressman **Greg Murphy, M.D.** "When a physician sees a Medicare patient, they do so out of the goodness of their heart, not because a market-based system of Medicare inflation is much higher and the cost of seeing patients continues to rise. Unfortunately, reimbursement continues to decline, putting immense pressure on doctors to close their practices, force seeing new Medicare patients, or seek a less efficient employment position. This bipartisan legislation would cap yet another year of reimbursement cuts, give them a slight inflationary adjustment, and protect Medicare for physicians and patients alike."

"Medicare payments to physicians are just not keeping pace with our economic realities and the cost of care," said Congressman **Jimmy Panetta**. "Our bipartisan legislation would not only prevent harmful cuts but also would adjust provider reimbursements for inflation. Such a law would expand access to quality healthcare by helping medical providers continue their care for Medicare beneficiaries."

"Access to quality healthcare is a something every senior deserves, but doubling Medicare reimbursement is putting that access at risk," said Congressman **Marionette Miller-Meeks**. "The bipartisan Medicare Patient Access and Practice Stabilization Act is crucial to reversing the damaging trend of cuts that threaten our healthcare providers, especially in underserved communities. We must act now to prevent further turmoil and consolidation in our system, ensuring that every Medicare beneficiary receives the care they need and deserve."

"Having an updated Medicare reimbursement rate for physicians means broader for healthcare professionals to provide high-quality care, putting patients at risk," said Congressman **Art Bonior, M.D.** "Physicians, under the best of the players in health care, have never received an inflationary update and consistently received cuts. This bill ensures a more stable Medicare payment system allowing providers to focus on obtaining care rather than worrying about losing their practice. With the bipartisan effort, we are working toward a system that supports both patients and doctors."

**ACS**  
AMERICAN COLLEGE OF SURGEONS

Dear Dr. Roddy,

Your ACS Advocacy team is aggressively leading an effort to persuade Congress to stop a planned 2.8% Medicare payment cut for 2025 and, instead, provide an **increased payment** for surgeons.

Last week, the Centers for Medicare & Medicaid Services (CMS) finalized the cut, and the only likely intervention is for Congress to include language in the government funding bill that must be passed before December 20. **It is essential that we work together and generate enough congressional support for the appropriate language to be included in that funding bill.**

The ACS is strongly supporting and urging Members of the House of Representatives to co-sponsor the Bipartisan Medicare Patient Access and Practice Stabilization Act (H.R. 10073), which would change the 2.8% cut to a 1.4% increase in Medicare physician payments in 2025.

We need your help. Please go to [surgeonvoice.org](http://surgeonvoice.org) and send a letter to your Member of Congress now and urge them to support this critical legislation.

[Contact Congress](#)

**SVS** Society for Vascular Surgery

**D.C. Update**

**Bipartisan Bill to Protect Medicare Payments, Access for Patients Introduced in House**

On Oct. 29, Congressman Greg Murphy, M.D., in a collaboration with a bipartisan group of lawmakers, introduced the Medicare Patient Access and Practice Stabilization Act (H.R. 10073), legislation aimed at halting Medicare reimbursement cuts for physicians and adjusting payments to keep pace with inflation. The bill, backed by SVS and a coalition of healthcare provider organizations, seeks to address financial pressures that have led to closures and access limitations, especially in rural and underserved communities.

[Learn More](#)

Voter Voice

**ACT NOW: Stop Pending Medicare Payment Cuts**

**ACT NOW: Stop Pending Medicare Payment Cuts**

Vascular surgeons are bracing for another significant reduction in Medicare payments, with a minimum 2.8% cut set to take effect on January 1, 2025. To provide much-needed relief, Representatives Greg Murphy, M.D. (R-MD) and Jimmy Panetta (D-GA) introduced the Medicare...

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Since the only solution here is legislative:

1. PAC donations matter
2. Email Congressional leaders when asked

## Summary

- Budget neutrality calculations, expiration of prior legislation on the CF, and clinical labor rate methodology changes have decreased compensation to vascular specialists
  - Disproportionately higher for procedures in an OBL
- PAYGO will return
- Advocacy is the key to any society effort

## What the future holds....

