

May 14, 2025

The Honorable Roger Marshall, MD  
United States Senate  
479A Russell Senate Office Building  
Washington, DC 20510

Dear Senator Marshall:

On behalf of the physician and medical student members of the American Medical Association (AMA), I am pleased to offer the AMA's strong support for S. 1640, the "*Medicare Patient Access and Practice Stabilization Act of 2025*." This legislation would temporarily reverse the damaging 2.83 percent cut to the Medicare Physician Fee Schedule (MPFS) Conversion Factor and provide a much-needed two percent positive payment update to the MPFS Conversion Factor, an increase equivalent to roughly half of the Medicare Economic Index (MEI) for 2025.

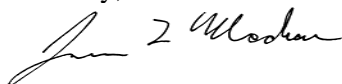
Physician practices have now faced five consecutive years of Medicare payment cuts despite rising inflation and increasing costs. When adjusted for inflation in practice costs, Medicare physician payments have declined by an astonishing 33 percent since 2001. This persistent erosion in reimbursement, combined with the absence of an annual inflationary update in the MPFS, places enormous financial strain on physician practices and jeopardizes Medicare beneficiaries' access to care.

This year, the Centers for Medicare & Medicaid Services projected a 3.5 percent increase in the MEI. Yet physician practices are facing another payment reduction, while other providers, including hospitals and Medicare Advantage plans, are receiving payment updates that at least account for inflationary pressures. Without immediate legislative intervention, this growing disparity will further destabilize independent practices, accelerate market consolidation, and threaten access to care, particularly in rural and underserved communities.

The Senate bill, like its House counterpart H.R. 879, takes a meaningful step toward reestablishing Medicare payment stability. By fully reversing the 2.83 percent cut and applying a two percent update to the MPFS Conversion Factor from June through December 2025, S. 1640 offers physician practices a temporary but important reprieve. It allows practices to better weather inflationary cost pressures while Congress works toward the long-term structural reform that Medicare urgently requires.

The AMA is grateful for your leadership in introducing S. 1640 and for recognizing the unsustainable strain that continued inaction places on physician practices and the broader Medicare program. We thank you and your colleagues for your ongoing efforts to protect patient access and stabilize the Medicare physician payment system. We look forward to working with you to advance this legislation in the 119th Congress.

Sincerely,



James L. Madara, MD