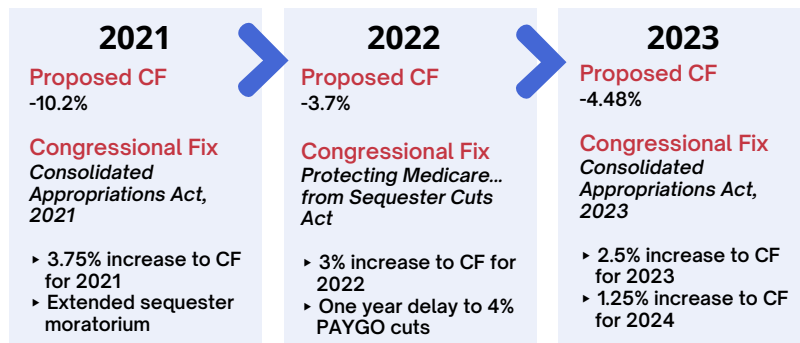


PHYSICIANS BATTLING PROPOSED MEDICARE CUTS AGAIN

The physician community is once again forced into action to fight pending cuts to Medicare reimbursement. In the [CY 2024 Medicare Physician Fee Schedule \(MPFS\) proposed rule](#), CMS proposes a 3.36% cut to the physician conversion factor (CF) relative to 2023. The proposed cut follows proposals from the last several years that forced Congress to intervene to provide partial relief for physician reimbursement (see the timeline below).

The CF reduction is due mostly to the implementation of a single evaluation and management (E/M) add-on code. In the proposed rule, CMS indicates that this single code is responsible for 90% of the budget neutrality adjustment to the CF. The American College of Surgeons [cosigned a letter](#) with 18 other surgical organizations in July 2023 opposing the implementation of G2211. ASCA also opposed implementation in its [comments on the MPFS proposed rule](#).



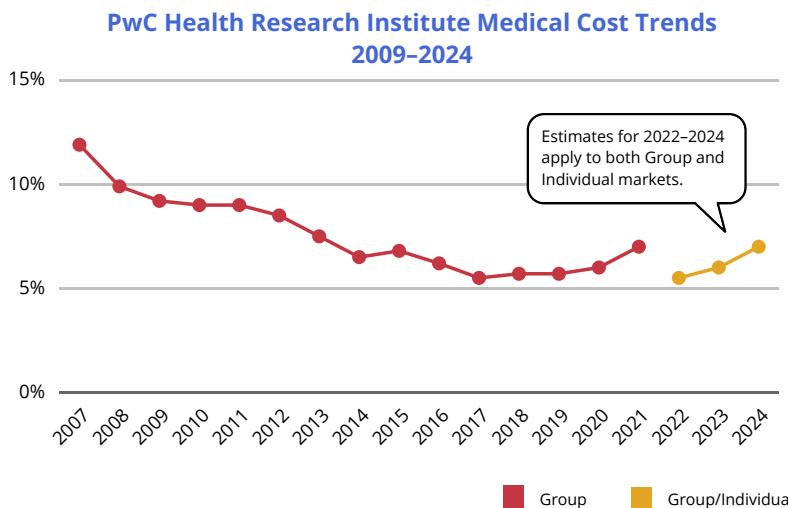
ADVOCATE FOR YOUR ASC IN WASHINGTON, DC

ASCA's [National Advocacy Day](#) will take place February 26–28, 2024. More information on how to register and the event schedule will be announced soon.

MEDICARE STILL PROHIBITING TOTAL SHOULDERS IN ASCS

Although Medicare decided to reimburse ASCs for providing total knee and hip replacements to its beneficiaries in 2020 and 2021, respectively, CMS [proposes](#) to keep total shoulder arthroplasty (TSA) off the ASC Covered Procedures List (ASC-CPL) for 2024. The agency has been silent on a clinical justification and has offered few details on previously announced plans to institute a nomination process for adding procedures to the ASC-CPL. ASCA continues to advocate heavily for policies that support the migration of safe outpatient surgeries, including TSA, to the ASC setting.

COST OF TREATING PATIENTS EXPECTED TO RISE 7% IN 2024



Source: PwC Health Research Institute medical cost trends, 2009–2024

Assuming patient benefits remain the same, employer medical costs are expected to rise 7% in 2024, a new [report from PricewaterhouseCoopers](#) (PwC) Health Research Institute (HRI) says. That amount is higher than increases seen in 2022 and projected for 2023, which were 5.5% and 6.0%, respectively.

The projected 2024 increase reflects both the impact of inflation on provider costs expected to drive an increase in the cost of patient health plans next year and persistent double-digit pharmacy price increases. The escalating pharmacy costs are being driven by the growing use of certain specialty drugs and the new Type 2 diabetes and weight loss drugs on the market.