

## Congress Poised to Act on Funding Package that would Offset Medicare Physician Payment Cuts

On March 2, Republican and Democratic leaders from the U.S. House and Senate unveiled a spending package that would fund the government through the end of 2024. Notably, the package included an offset to Medicare physician fee-schedule cuts, which under current law and regulatory policy had a 3.34% reduction that took effect Jan. 1, 2024.

Specifically, the proposed spending package would increase the statutory conversion factor adjustment from 1.25% — which was passed in the Consolidated Appropriations Act (CAA) of 2023 — to 2.93%, resulting in a final conversion factor cut of 1.66%. This statutory increase will only be applied for services performed from March 9 to Dec. 31, 2024. Retrospective services from Jan. 1 to March 9 will not be reconciled to the higher adjustment rate, and thus will only have the 1.25% statutory adjustment applied.

While not a full offset to the physician cuts, the additional funding will at least provide partial relief to physicians and hospitals operating under a very challenging financial picture. Notably, Congress has not proposed other cuts to hospitals or health care services to pay for this additional funding.

Congress is expected to take action on this package later this week and President Biden is expected to sign it into law prior to the expiration of the current March 8 deadline to fund the government.

Stay tuned for more developments and details on the overall funding package in the regular Thursday edition of *The Valued Voice*.

### Other Articles in this Issue

- [Legislation Aimed at Addressing Delayed Discharges from Hospitals Debated at the Capitol](#)
- [Two Weeks Until Advocacy Day; Registration, Webinar and Legislative Visits Encouraged](#)
- [President's Column: Wisconsin Hospitals Committed to Transparency](#)
- [First Annual WHA Quality and Patient Safety Awards Presented](#)
- [WHA-Crafted Training Grant Applications Due April 5](#)
- [Providers/Facilities Prevail in Most Surprise Billing Payment Disputes](#)
- [Kaufman Hall: UnitedHealth Group Security Breach Causing "Significant Cash Flow Issues" for Providers](#)
- [Congress Poised to Act on Funding Package that would Offset Medicare Physician Payment Cuts](#)