

Congress of the United States
House of Representatives
Washington, DC 20515

December 12, 2022

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington DC, 20515

The Honorable Chuck Schumer
Majority Leader
U.S. Senate
Washington DC, 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington DC, 20515

The Honorable Mitch McConnell
Minority Leader
U.S. Senate
Washington DC, 20510

Dear Speaker Pelosi, Minority Leader McCarthy, Majority Leader Schumer, and Minority Leader McConnell,

As you continue your work on an end-of-year government funding package, I urge you to prioritize relief from dramatic cuts to Medicare reimbursements for physicians and other healthcare providers on the front line of responding to a surge in respiratory illnesses in Virginia and across the country. The unstable financial situation facing frontline providers could threaten patients' access to care just as the surge in influenza worsens.

Hospitals, urgent care centers, and physician offices across Virginia are struggling with a dramatic increase in patients with respiratory syncytial virus (RSV), influenza, COVID-19, and other respiratory illnesses. Virginia is one of 47 states and territories that are reporting high or very high rates of flu and influenza-like illnesses. According to the Centers for Disease Control and Prevention, the cumulative hospitalization rate for influenza and influenza-like illness this year was higher than during any previous season in more than ten years.¹

The current surge began well before the typical flu season in the winter, meaning we can expect the number of cases – and the resulting strain on our healthcare system – to continue to climb in the coming months. As we saw during the worst of the COVID-19 pandemic, these very contagious respiratory illnesses can quickly overwhelm hospitals and staff and threaten patients' access to care.

If Congress does not act, Virginia's physicians and healthcare providers are scheduled to receive a more than eight percent reduction to their reimbursements during the worst of the flu season. This considerable reduction in reimbursement rates results from a combination of expiring legislative provisions and looming budgetary cuts beginning January 1st:

¹ "Weekly U.S. Influenza Surveillance Report: Updates for Week 48, Ending December 3rd, 2022," Centers for Disease Control and Prevention. Available at: <https://www.cdc.gov/flu/weekly/index.htm>.

- A 3% reduction effective January 1st, when the temporary increase to physician reimbursements Congress authorized at the end of 2021 via the Protecting Medicare and Americans Farmers from Sequester Act expires,
- A 1.5% reduction effective January 1st, caused by a budget neutrality reduction in the 2023 Physician Fee Schedule, and
- A 4% reduction early next year due to the Statutory Pay-As-You-Go (PAYGO) requirement.

These scheduled cuts come in addition to the across-the-board 2% reduction to reimbursements caused by the return of sequestration over the summer.

These substantial cuts to reimbursements, along with high rates of patients with respiratory illness and ongoing staff shortages, have already put tremendous financial pressure on Virginia's healthcare providers, especially safety net providers that work in underserved communities.

To address this issue, Congress should include in the end-of-year funding bill provisions that will mitigate these cuts, create stability and predictability around physicians' reimbursements, and protect seniors' access to care as hospitalization rates surge. Thank you very much for your consideration.

Sincerely,



Abigail D. Spanberger

Member of Congress