September 12, 2025

The Honorable Mehmet C. Oz, MD, MBA
Administrator, Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
Hubert H. Humphrey Building, Room 445–G
200 Independence Avenue, SW
Washington, DC 20201

Re: File Code CMS–1832–P. Medicare and Medicaid Programs; CY 2026 Payment Policies Under the Physician Fee Schedule and Other Changes to Part B Payment and Coverage Policies

To Administrator Oz:

On behalf the more than 7,000 physicians and medical student members of the Academy of Medicine of Cleveland & Northern Ohio, thank you for this opportunity to provide comments on the Centers for Medicare & Medicaid Services CY 2026 revisions to Medicare payment policies under the Medicare Physician Payment Schedule.

The AMCNO, founded in 1824, is the region's professional medical association and the oldest professional association in Ohio. We are a non-profit, 501(c)6 professional organization representing Northern Ohio's medical community. The mission of the AMCNO is to support physicians in being strong advocates for all patients and to promote the practice of the highest quality of medicine.

In accordance with that mission, we offer the following comments on the proposed rules. We echo the comments of the American Medical Association and hope that you will take our shared concerns into account.

Medicare Physician Payment
The AMCNO was glad to see that Congress provided a one-year 2.5 percent update on the 2026 Medicare physician payments and that CMS is proposing positive conversion factor updates. We greatly appreciate these efforts, as growing practices costs continue to outpace the Medicare physician payment updates. However, for the last four years, these updates have been temporary and difficult for physicians to make long term planning decisions around.

Moreover, in the last two dozen years, Medicare physician pay has remained virtually flat and, by the AMA's estimate, the cost of running a medical practice has increase 59 percent, which adjusted for inflation amounts to a 33 percent decline in physician pay over that time. Additionally, we are glad to see the increase to the Qualifying Alternative Payment Model conversion factor. Providing incentives based on care quality and value is a powerful model to improve our health system

We urge your administration to support any congressional efforts to enact inflation-based updates for physician payments, such as the provision tied to the Medicare Economic Index that was included in the reconciliation bill passed by the House. It is critical that we implement long term, sustainable payment reform to protect healthcare delivery for all patients.

Proposed Efficiency Adjustment

We appreciate that CMS has set a goal of ensuring that the data used in work RVUs is accurate and that primary care payment is adequate. However, we are concerned that the sweeping 2.5 percent decrease for non-time-based codes that has been proposed does not adequately consider the nuances of the services that physicians provide. Based on data from the AMA, we are especially worried about the impacts on specific specialties, including oncology, internal medicine, ophthalmology, infectious disease and obstetricians and gynecologists.

While we understand the desire to ensure efficiency in our system, we do not see adequate data that this broad-based cut is appropriate. A study published in the Journal of the American College of Surgeons this year showed that operatives times overall increased from 2019 to 2023, and that at the procedural level, 90 percent of codes had longer or similar operative times in 2023 compared to 2019. Even as technology advances, we cannot assume that procedures will universally move faster, particularly as these technological advances in many instances allow us to better understand the complexity of patient cases, which could even increase operative time.

We ask you not to finalize this -2.5 percent adjustment and instead collect the evidence base needed to review and adjust high volume services as appropriate and in such a way that does not risk the ability of physicians to provide these services to patients in the coming year.

Practice Expense Site of Service Differential

As more physicians move from private practice to employed status, we understand the desire of CMS to reevaluate the practice expense methodology and agree that existing pay disparities between hospital outpatient and physician offices for the same services disadvantage those independent practices. Moreover, we are glad that CMS is working to prevent duplicate payments and work toward the goal of stemming consolidation. However, we are concerned that the proposed cuts based on facility setting will not get to the root cause of these differentials and instead may inadvertently harm private practice physicians. Private practice physicians in many specialties, including gastroenterologists and orthopedic surgeons, provide

services in hospital outpatient departments or ambulatory surgical centers. We concur with the AMA that shifting indirect payments to the facility fee would leave independent practices uncompensated and could lead to greater consolidation or corporate buy out to absorb costs.

We urge CMS to use consider alternatives based on the PPI survey that will support private practice physicians while addressing these differentials.

Merit-based Incentive Payment System

We are grateful to see that CMS has incorporated many of the AMA's and other medical societies' concerns into the CY2026 MIPS improvements, particularly as it pertains to improving the structuring of quality measures, maintaining the performance threshold, and creating the two-year informational-only period for new cost measures. These proposed changes, we believe, will help reduce the burden that MIPS can have at times on physicians.

However, we are still concerned about red tape that persists within the proposed rule, and we support the AMA's recommendations for continually improving the system. We urge CMS not to mandate but to incentivize MVPs, and not to sunset traditional MIPS. We also support calls from the AMA for CMS to maintain a robust portfolio of MVPs and accept new measures and include physician input in the creation of those MVPs. AMCNO also hopes that CMS will make use of electronic health records and other emerging technology to minimize reporting burden, and we are supportive of CMS efforts to transition to digital quality measures.

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Ambulatory Specialty Model

AMCNO is grateful to see that the proposed ASM contains several of the recommendations given by the AMA in recent years. As an organization representing physicians across numerous settings, we are glad that ASM allows physicians in independent practices that are transitioning to value-based care models to participate. We echo the AMA's concerns that the ASM payment model based on a physician's performance against other ASM participants may present a level of risk-based payment that discourages physicians from maintaining independent practice

Thank you again on behalf of the Academy of Medicine of Cleveland & Northern Ohio's members for this opportunity to provide feedback on the CY2026 proposals. We are happy that CMS has incorporated many of the recommendations that have been made in the past and are hopeful that you will consider our concerns as you work to finalize this rule.

Sincerely,

Eric J.B. Shapiro, MD
President, Academy of Medicine of Cleveland & Northern Ohio