



September 11, 2017

Centers for Medicare & Medicaid Services  
Department of Health and Human Services  
Attention: CMS-1676-P,  
P.O. Box 8016,  
Baltimore, MD 21244-8013.

***Filed Electronically***

To: Centers for Medicare & Medicaid Services (CMS), HHS

**RE:** Medicare Program; Revisions to Payment Policies Under the Physician Fee Schedule and Other Revisions to Part B for CY 2018; Medicare Shared Savings Program Requirements; and Medicare Diabetes Prevention Program.

**INTRODUCTION**

On behalf of over 11,500 physician and medical student members of the Harris County Medical Society (HCMS), thank you for the opportunity to participate in commenting on the proposed rule regarding the “Medicare Program; Revisions to Payment Policies Under the Physician Fee Schedule and Other Revisions to Part B for CY 2018” proposed rules published in the *Federal Register* on Friday, July 21, 2017.

**PLATFORM BEHIND OUR COMMENTS**

HCMS represents grass root physicians in all medical and surgical specialties who transact with all of the Medicare payment policies on a daily basis. Our comments are reflective of the feedback we receive from our members and their staff. Harris County, Texas with a population of approximately five million people contains approximately 450,000 Medicare patients.

Once again, physicians will need to review hundreds of pages of the 2018 Medicare Physician Fee Schedule Proposed Rules just to determine payments and requirements may be in the year 2018. In November, the final rules will be published and the hundreds of pages of final rules will need to be reviewed to set up a budget for the physician’s medical business starting two months later on Jan. 1, 2018. No other profession must go through this extremely complex annual budget forecasting process.

**COMMENTS**

The MACRA law promised an annual update of .5% to the physician conversion factor (CF) until 2019, which has not come to fruition because other laws created negative offsets. In 1998, according to CMS, the physician CF was \$36.6873 (Exhibit A). In 2018 the physician CF is being proposed as \$35.9903 (Table 38 from proposed rule). The US Bureau of Labor Statistics reports that the Consumer Price Index

has increased 47.8% between 1998-2017 (Exhibit B). As physician Medicare payments have decreased over a twenty-year span, physician costs have vastly increased. This situation has forced many physicians to become employed instead of participating in a free market of owning their own business.

**TABLE 38: Calculation of the Proposed CY 2017 PFS Conversion Factor**

Conversion Factor in effect in CY 2017		35.8887
Update Factor	0.50 percent (1.0050)	
CY 2017 RVU Budget Neutrality Adjustment	-0.03 percent (0.9997)	
CY 2017 Target Recapture Amount	-0.19 percent (0.9981)	
CY 2018 Conversion Factor		<b>35.9903</b>

*Conclusion*

We appreciate the opportunity to comment. With physician burnout being a very real liability to Medicare patients, we encourage CMS to decrease the administrative burdens on physicians as payment is not covering the cost to administratively process the delivery of care to Medicare recipients.

Sincerely,



Lisa Ehrlich, MD  
President