



Bringing physicians together
for a healthier Ohio

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; Medicare Shared Savings Program Requirements; and Medicare Prescription Drug Inflation Rebate Program

Dear Administrator Oz,

On behalf of the thousands of physician and medical student members of the Ohio State Medical Association (OSMA), I appreciate the opportunity to comment on the proposed CY 2026 Medicare Physician Fee Schedule (PFS) rule. OSMA is the state's largest professional organization representing physicians across all specialties and practice settings. Our mission is to promote the art and science of medicine, protect the physician-patient relationship, and preserve access to high-quality medical care for all Ohioans.

We commend CMS for seeking public input on this critical rule and respectfully submit the following comments, which reflect the consensus of organized medicine while emphasizing Ohio-specific concerns.

Visit
www.OSMA.org

4400 N High Street • Suite 304 • Columbus, OH 43214
ph (614) 527-6762 • (800) 766-6762 • fax (614) 527-6763
info@osma.org

Medicare Physician Payment

Conversion Factor and Payment Adequacy

We acknowledge the proposed temporary 2.5 percent increase to the 2026 conversion factor but emphasize that this adjustment is insufficient to counteract the long-term erosion of physician payment. Between 2001 and 2025, Medicare physician reimbursement declined by 33 percent when adjusted for inflation in practice costs.

Physicians in Ohio — particularly those in independent and rural practices — face acute financial pressures due to rising wages, supply costs, and administrative burdens. OSMA strongly urges CMS and the Administration to support congressional efforts to enact permanent, inflation-based updates to the conversion factor, tied to the Medicare Economic Index (MEI). Consistent with OSMA’s longstanding support for fair and sustainable reimbursement, we believe this reform is essential to maintain access to physician-led care throughout Ohio.

Proposed Efficiency Adjustment

OSMA is concerned by CMS’s proposal to reduce work RVUs and intra-service times by 2.5 percent across more than 7,000 codes. This broad-based “efficiency adjustment” lacks empirical support — recent surgical time studies indicate that procedure durations are increasing, not decreasing.

For Ohio physicians — especially those in small or independent practices — this proposal would disrupt compensation models and accelerate consolidation into large health systems. OSMA urges CMS to withdraw this proposal and instead continue to collaborate with organized medicine and specialty societies to review and update codes based on clinical data, as has been the successful precedent.

Practice Expense Methodology and Site-of-Service Differential

We are also concerned that CMS’s proposal to reduce indirect practice expense (PE) payments for services performed in facility settings would disproportionately harm independent physicians practicing in hospital outpatient departments or ambulatory surgical centers.

In Ohio, where health system consolidation already threatens patient choice and access, this policy could accelerate practice closures and further reduce competition. OSMA supports revisiting the PE methodology using updated Physician Practice Information (PPI) Survey data. It is essential that indirect expenses incurred by physician practices — even in facility settings — are accurately recognized and reimbursed. Ensuring fair compensation for these costs is critical to sustaining independent physician practices and maintaining patient access to diverse, community-based care options.

Merit-Based Incentive Payment System (MIPS) and MIPS Value Pathways (MVPs)

OSMA concurs with the broader view of organized medicine that MIPS remains overly complex, imposes excessive administrative burdens on small and rural practices, and has not demonstrably improved patient outcomes.

We support CMS’s proposed refinements, including:

- Maintaining the 75-point performance threshold through CY 2028
- Updating benchmarking methodologies for administrative claims-based measures
- Introducing a two-year informational period for new cost measures
- Refining attribution for Total Per Capita Cost (TPCC) measures

However, we urge CMS to:

- Incentivize rather than mandate MVP adoption
- Maintain a broad portfolio of quality measures to avoid superficial or irrelevant reporting

- Ensure MVPs reflect input from relevant specialties, avoiding arbitrary grouping of unrelated disciplines
- Provide flexibility for multispecialty groups in MVP reporting

Ohio's diverse physician practices — from large academic centers in urban areas to solo rural practices — cannot absorb further compliance burdens without compromising patient access.

Conclusion

OSMA appreciates CMS's engagement with the physician community on these critical issues. We respectfully urge the agency to:

- Remove the proposed across-the-board efficiency adjustment
- Support permanent, inflation-based payment updates for physicians
- Revise the practice expense methodology to ensure fairness for independent practices
- Continue efforts to reduce administrative complexity in MIPS and MVPs

Ohio's physicians remain steadfast in their commitment to serving Medicare beneficiaries. However, continued payment instability and regulatory burdens threaten the viability of physician-led care. Addressing these concerns will help ensure that seniors in Ohio — and across the nation — retain access to high-quality, physician-directed medical services.

Please do not hesitate to reach out if OSMA can provide any additional information.

Sincerely,



Todd Baker, CEO
Ohio State Medical Association