

December 15, 2025

The Honorable Mike Johnson
United States House of Representatives
Washington, DC 20515

The Honorable John Thune
United States Senate
Washington, DC 20510

The Honorable Hakeem Jeffries
United States House of Representatives
Washington, DC 20515

The Honorable Charles Schumer
United States Senate
Washington, DC 20510

The Honorable Steve Scalise
United States House of Representatives
Washington, DC 20515

Dear Speaker Johnson, Leader Thune, Leader Jeffries, Leader Schumer and Leader Scalise:

We write to express our strong support for the 2026 Medicare Physician Fee Schedule (PFS) Final Rule and to urge you not to delay, block, or weaken the “efficiency adjustment” policy included in the regulation.

The efficiency adjustment provides an important opportunity to leverage productivity gains from technology and practice improvements over time in order to provide a more accurate reflection of current practices for many non-time-based services. This adjustment is intended to target services where efficiency has grown.

For decades, the PFS has consistently undervalued primary care, behavioral health and other time-based services relative to many other services¹ due to the budget neutral nature of the fee schedule. This mis-valuation compounds over time. The result is a large and growing payment disparity that undermines primary care and care coordination, negatively impacting access and health outcomes for patients across the country.

Therefore, we support the overall policy of correcting mis-valuation and recognizing efficiency over time (the efficiency adjustment approach). CMS’s decision to use the MEI productivity adjustment to implement this efficiency correction next year is a reasonable one. Further, the reduction of 2.5% to the intraservice time is very modest, relative to empirical data that estimates a much greater difference between the actual time taken vs. the time estimate the code reflects. This approach is backed by multiple expert bodies, including MedPAC² and the

¹ Laura Skopec and Robert A Berenson, “Why The Medicare Physician Fee Schedule Misvalues Fee Levels and How to Fix It,” *Health Affairs Scholar* 3, no. 10 (October 1, 2025): qxaf189, <https://doi.org/10.1093/hasch/qxaf189>.

²MedPac, “Rebalancing Medicare’s Physician Fee Schedule Toward Ambulatory Evaluation and Management Services,” *Report to the Congress: Medicare and the Health Care Delivery System*, June 2018, https://www.medpac.gov/wp-content/uploads/import_data/scrape_files/docs/default-source/reports/jun18_ch3_medpacreport_sec.pdf.

National Academies of Sciences, Engineering, and Medicine³. While rebuilding an empirically based and budget neutral valuation system will take time, using economy-wide multifactor productivity as a proxy for physician productivity is a reasonable interim step to begin correcting long-standing distortions.

We also strongly support CMS' decision to exclude evaluation and management (E/M) services from the efficiency adjustment. Much of this care has become more complex and oriented around a patient-centered comprehensive approach to care that is inherent and unique to primary care.

This rule does not solve every problem in the PFS, but this provision helps move the system toward greater support for primary care. We believe Congress should give the efficiency adjustment a chance to work.

Sincerely,

Primary Care Collaborative

Accountable for Health

Advocates for Community Health

Aledade

American Academy of Ambulatory Care Nursing

American Academy of Family Physicians

American Association for Health and Disability

American Association of Nurse Practitioners

American College of Clinical Pharmacy

American College of Lifestyle Medicine

American College of Osteopathic Family Physicians

American College of Physicians

Angel Kids Pediatrics/Pediatric Innovation Center

Arnold Ventures

Blue Cross Blue Shield of Massachusetts

Blue Cross Blue Shield of Michigan

Blue Shield of California

Catalyst Health Network

The Commonwealth Fund

Community Care of North Carolina

Community Catalyst

Converging Health

Elation Health

evolvedMD

Families USA

³National Academies of Sciences, Engineering, and Medicine, "Response to the Centers for Medicare & Medicaid Services CY 2026 Physician Fee Schedule and Other Changes to Part B Payment and Coverage Policies Proposed Rule." 2025. Washington, DC: *The National Academies Press*.
<https://doi.org/10.17226/12407>.

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NHMH - No Health without Mental Health
Primary Care Development Corporation
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Rhode Island Primary Care Physicians Corporation
Society of General Internal Medicine
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CC: Senator Collins, Senator Murray, Senator Crapo, Senator Wyden, Senator Cassidy, Senator Sanders, Representative Cole, Representative DeLauro, Representative Smith, Representative Neal, Representative Guthrie, Representative Pallone