

Sept. 17, 2025

The Honorable Mike Johnson Speaker U.S. House of Representatives Washington, DC 20515

The Honorable Hakeem Jeffries Minority Leader U.S. House of Representatives Washington, DC 20515 The Honorable John Thune Majority Leader U.S. Senate Washington, DC 20514

The Honorable Chuck Schumer Minority Leader U.S. Senate Washington, DC 20515

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

On behalf of AMGA and our members, I urge Congress to act swiftly to address critical healthcare programs, some of which are set to expire in the next few weeks. Addressing these expiring programs is crucial to ensuring access to care, supporting healthcare providers, and maintaining stability throughout the healthcare system.

Founded in 1950, AMGA is a trade association leading the transformation of healthcare in America. Representing multispecialty medical groups and integrated systems of care, we advocate, educate, innovate, and empower our members to deliver the next level of high-performance health. AMGA is the national voice promoting awareness of our members' recognized excellence in the delivery of coordinated, high-quality, high-value care. Over 177,000 physicians practice in our member organizations, delivering care to more than one in three Americans. Our members are also leaders in high-value care delivery, focusing on improving patient outcomes while driving down overall healthcare costs.

As Congress begins working on the end of the fiscal year funding legislation, we want to highlight some key issues impacting the communities we serve that must be addressed in the upcoming September legislative package:

- Extend the Current Medicare Telehealth Waivers
- Extend the Hospital at Home Program
- Delay Cuts to the Medicaid Disproportionate Share Hospital (DSH) Program
- Extend the Current Geographic Practice Cost Index (GPCI) Floor
- Prevent Medicare Pay-As-You-Go (PAYGO) Cuts
- Extend the Enhanced Premium Tax Credits (ePTC)
- Extend the Advanced Alternative Payment Model (APM) Incentive



#### **Extend the Current Medicare Telehealth Waivers**

This year marks the fifth year that the telehealth waivers passed by Congress during the COVID-19 pandemic have remained in place. The waivers, which eliminated Medicare's telehealth originating site and geographic limitations, created a dramatic shift in how care is delivered in this country. The law also extended recognition of audio-only payments in that same period. These policies should be extended permanently to ensure greater patient access to care. Patients in rural and urban areas who lack transportation can receive care from their providers within the confines of their homes due to the waivers. As a result, patients have come to expect telehealth services as a standard method of care delivered by their provider.

While AMGA appreciates the efforts taken by Congress in the *Consolidated Appropriations Act of 2025*, which extended the current waivers until Sept. 30, 2025, Congress must ensure that these services remain permanently available to all patients and that AMGA members can use the technology as part of their innovative delivery models, which promote patient convenience and safety. Congress should also consider the inclusion of waivers in a comprehensive telehealth legislative package that includes permanent waivers for the expiring provisions and the continuation of payment parity between in-office, telehealth, and audio-only services to ensure greater patient access to care.

# **Extend the Hospital at Home Program**

Congress must also continue supporting the Hospital at Home program, whose authority was extended until Sept. 30, 2025. This innovative model, launched during the COVID-19 public health emergency (PHE), allows healthcare organizations to deliver inpatient-level care in patients' homes, increasing capacity and reducing costs. The current Continuing Resolution (CR) maintains reauthorization for the Acute Hospital Care at Home initiative through the end of the 2025 fiscal year (FY). Without action, the flexibilities granted during the pandemic will lapse, impacting hospital operations and patient choice.

The Hospital at Home program is extremely popular with patients and providers. A report on the program by the Centers for Medicare & Medicaid Services (CMS) found that patients and caregivers interviewed by report investigators had an overall positive experience with the care provided in the home setting. The Hospital at Home model represents the future of healthcare delivery in this country by allowing patients to stay in their homes. We urge Congress to extend this vital program by including a two-year extension in the upcoming September legislative package.

### Delay Cuts to the Medicaid Disproportionate Share Hospital (DSH) Program

The Medicaid DSH program provides vital support to hospitals that serve large numbers of low-income and uninsured patients. These funds help offset both Medicaid underpayments and uncompensated care costs, ensuring patients can continue to access essential services—such as trauma care, burn units, maternal care, and high-risk neonatal care—in their communities. Congress has consistently delayed the Medicaid DSH reductions to allow hospitals to continue to serve their patients and communities. The current CR extends the delay through the end of FY 2025.



However, if Congress fails to extend the current delay, an \$8 billion cut will go into effect on Oct. 1, 2025, from FY 2026 through FY 2028. AMGA members have expressed concern that cuts to the Medicaid DSH program will have a significant impact on coverage and access to care, and therefore urge Congress to address the impending cuts to the program so that hospitals can continue to provide care to patients in need.

### **Extend the Current Geographic Practice Cost Index (GPCI) Floor**

The GPCI floor helps prevent Medicare physician payment cuts in rural and low-cost geographic areas by establishing a floor for the work component of the physician fee schedule (PFS). The current CR extends the 1.0 work GPCI floor used in the calculation of payments under the Medicare PFS through Sept. 30, 2025. Congress must extend the current GCPI floor so that providers can continue to have payment stability in an increasingly unstable environment.

### Prevent Medicare Pay-As-You-Go (PAYGO) Cuts

A recent report from the Congressional Budget Office (CBO) found that the enactment of the *One Big Beautiful Bill Act* (OBBBA) could potentially trigger the current Statutory PAYGO scorecard. Under PAYGO, the Office of Management and Budget (OMB) is required to maintain 5- and 10-year scorecards, which it updates with the estimated cumulative changes in revenues and outlays that determine whether new laws increase spending or reduce revenue. Triggering PAYGO would lead to a 4% maximum reduction across all of Medicare, leading to \$419 billion in cuts to the program through 2028. These potential cuts to Medicare, coupled with the Medicaid cuts included in OBBBA, would have a cataclysmic impact on our nation's healthcare ecosystem and reduce patient access to care. Given the actual and potential impacts continued Medicare cuts will have on providers and their patients, Congress must act to waive PAYGO.

# **Extend the Enhanced Premium Tax Credit (ePTC)**

The ePTC, authorized under the *American Rescue Plan Act (ARPA)*, is applied toward the cost of purchasing specific types of health plans offered by private health insurance companies participating in Affordable Care Act (ACA) exchanges. As part of the *Inflation Reduction Act (IRA)*, Congress passed a three-year extension of the ePTC, which expires at the end of 2025. According to the CBO, the expiration of the ePTC will lead to a 26% reduction in patients with subsidized exchange coverage and an increase of 1.7 million enrollees with unsubsidized coverage over the same period. Congress must ensure that patients can access private insurance markets to maintain their access to affordable healthcare coverage.



# Extend the Advanced Alternative Payment Model (APM) Incentive

The Medicare Access to CHIP Reauthorization Act of 2015 created a 5% Advanced APM incentive, which motivated providers to move toward value-based care. Congress temporarily extended the eligibility to earn incentive payments, but that ended on Dec. 31, 2024. The Advanced APM incentive payment has been vital to AMGA members, allowing them to reinvest in their medical groups and integrated systems of care and expand their practices in rural and underserved areas. Allowing this incentive to expire risks destabilizing practices that have invested significant resources in advanced models and could slow the broader transformation of the healthcare delivery system. Congress must act promptly to reinstate this incentive to illustrate that the government and providers are partners on this path towards high-value care.

Thank you for considering our recommendations, and we look forward to working with you throughout the year. If we can provide you with more information, please contact me or AMGA's Director of Government Relations Lauren Lattany at <u>llattany@amga.org</u>.

Sincerely,

Jerry Penso, MD, MBA

President and Chief Executive Officer

**AMGA** 

<sup>&</sup>lt;sup>i</sup> Report on the Study of the Acute Hospital Care at Home Initiative." Centers for Medicare and Medicaid, United States Department of Health and Human Services, Sept. 2024, qualitynet.cms.gov/acute-hospital-care-at-home/reports.

ii "Medicaid Disproportionate Share Hospital (DSH) Reductions | Congress.Gov | Library of Congress." Congressional Research Service, 2024, www.congress.gov/crs-product/IF10422.

iii "CBO's Estimates of the Statutory Pay-as-You-Go Effects Of ..." Congressional Budget Office, Congressional Budget Office, 15 Aug. 2025, www.cbo.gov/system/files/2025-08/61659-SPAYGO.pdf.

iv Ibid

<sup>&</sup>lt;sup>v</sup> CBO, "CBO Publishes New Projections Related to Health Insurance for 2024 to 2034," *CBO Blog*, June 18, 2024, https://www.cbo.gov/publication/60383. Hereinafter, CBO, "CBO Publishes New Projections."

v https://www.cbo.gov/publication/60383