

CHAMBER HILL

INSIGHTS

House Energy and  
Commerce Health  
Subcommittee  
Hearing on  
Medicare Payment  
Reforms

# House Energy and Commerce Health Subcommittee Hearing on Medicare Payment Reforms

On May 20, 2026, the House Energy and Commerce Health Subcommittee [held](#) a hearing to examine Medicare payment reforms, focusing on the Medicare Access and CHIP Reauthorization Act (MACRA) and the Physician Fee Schedule (PFS). Members discussed ways to reform the PFS to provide more stability in payment updates, how primary care reimbursement is different from other specialties, how the PFS is driving provider consolidation, and more.

## OPENING STATEMENTS

- [Subcommittee Chairman Morgan Griffith \(R-VA-9\)](#)
- [Subcommittee Ranking Member Diana DeGette \(D-CO-1\)](#)
- [Full Committee Chairman Brett Guthrie \(R-KY-2\)](#)
- [Full Committee Ranking Member Frank Pallone \(D-NJ-6\)](#)

## WITNESS TESTIMONY

- William Fox, MD, MACP, Cahir Emeritus, American College of Physicians Board of Regents, Fox & Brantley Internal Medicine – [Testimony](#)
- Steven Furr, MD, FAAFP, Family Medicine Physician – [Testimony](#)
- Dana Smetherman, MD, MPH, MBA, FACR, Chief Executive Officer, American College of Radiology – [Testimony](#)
- Rick Snyder, MD, President, HeartPlace – [Testimony](#)
- Farzad Mostashari, MD, Chief Executive Officer and Co-Founder, Aledade – [Testimony](#)

## MEMBER DISCUSSION

### Physician Fee Schedule

There were broad, bipartisan concerns about the need to reform the Physician Fee Schedule (PFS). Health Subcommittee Chairman Morgan Griffith (R-VA-9) asked how current budget neutrality rules create competition between specialties. Dr. Smetherman shared that currently, if one specialty receives an increase, another specialty must receive a cut to compensate. Reps. Raul Ruiz (D-CA-25), Lizzie Fletcher (D-TX-7), Mariannette Miller-Meeks (R-IA-1), and Troy Balderson (R-OH-12) highlighted the need for a stable update schedule and suggested tying it to inflation. Mr. Fox agreed, stating that stable payments allow for long-term planning and practice expenses, such as rent, salaries, and equipment, which increase every year. Rep. Nick Langworthy (R-NY-23) was curious about the importance of payment policies keeping up with technological advancements. Dr. Snyder shared that it was extremely important, as technological advancements can often reduce costly procedures and improve the delivery of care.

### Primary Care

Multiple Democrats focused on the importance of primary care, and some of the struggles that primary care providers are facing. Health Subcommittee Ranking Member Diana DeGette (D-CO-1) and Full Committee Ranking Member Frank Pallone (D-NJ-6) were curious about the importance of primary care providers and their role in chronic disease management. Dr. Furr highlighted the time providers spend coordinating care across specialties and providing chronic care management, and he argued that this reduces long-term spending. Rep. Robin Kelly (D-IL-2) asked why primary care should be reimbursed differently than other types of care. Dr. Fox shared that Medicare is not designed to pay for these services and instead relies on a fee-for-service model that is difficult to apply to primary care. Dr. Furr added that primary care is focused on preventive care.

Reps. Marc Veasey (D-TX-33) and Troy Carter (D-LA-2) asked about how reimbursement policies influence what specialties medical students are choosing to practice. Dr. Fox shared that the number one driver of specialty choice was earning potential, and therefore, primary care is often not chosen. Dr. Furr highlighted the need to rethink how Medicare reimburses graduate medical education (GME) to encourage providers to train in rural areas.

### Consolidation

There were concerns about the effects of Medicare reimbursement on health sector consolidation. Health Subcommittee Vice Chair Diana Harshbarger (R-TN-1) questioned if Medicare reimbursement was driving consolidation, to which Dr. Fox shared that the lower payment rates can cause independent providers to close or sell to hospitals if they do not have positive margins.

Reps. John Joyce (R-PA-7) and Kim Schrier (D-WA-8) asked about the effects of consolidation on patients. Dr. Fox shared that independent physician practices help to reduce costs for patients. Dr. Snyder highlighted that independent practices have more autonomous clinical decision-making, which can allow the physician and patient to agree on a treatment plan that is the most suitable for the patient.

## Merit-based Incentive Payment System (MIPS)

There was bipartisan interest in MIPS and its effect on physician practices. Full Committee Chairman Brett Guthrie (R-KY-2), and Reps. Kat Cammack (R-FL-3) and Schrier wanted to understand the administrative burden of MIPS reporting and how to best reduce it. Dr. Furr shared that MIPS reporting is time-intensive, especially for smaller or rural practices. Dr. Furr suggested that one standardized measure would be very impactful. Dr. Smetherman highlighted that MIPS does not align with radiologists' practice, making it very difficult to report metrics. He suggested that specialty-specific measures that measure the quality of care provided are important.

Rep. Gus Bilirakis (R-FL-12) questioned how the PFS should be updated to better reflect practice expenses in reimbursement, especially for physicians in independent practices. Dr. Smetherman shared that for specialties that are very technology-intensive, addressing budget neutrality or updating the PFS will ensure that patients continue to receive the best treatment. Rep. John Joyce (R-PA-13) asked if tethering practice expense increases for independent practices to a percentage of hospital outpatient cost data for similar services could be beneficial. Dr. Snyder stated that it would significantly level the playing field.

## Other Topics

- Rep. Troy Balderson (R-OH-12) was curious about leveraging health information technology to improve care. Dr. Mostashari shared that technology can be extremely helpful if the payment incentives align to encourage proper use.
- Rep. Lori Trahan (D-MA-3) highlighted the reimbursement rate discrepancies for care provided to males versus females for the same types of procedures.

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