



# American Society of Hematology

Helping hematologists conquer blood diseases worldwide

**Statement for the Record  
From the American Society of Hematology  
For the House Energy and Commerce Committee  
*Examining the Medicare Physician Fee Schedule, MACRA, and Opportunities for Payment Reforms*  
Held on May 20, 2026**

The American Society of Hematology (ASH) thanks the House Energy and Commerce (“the Committee”) for holding this hearing to examine efforts to reform Medicare physician payment exploring current challenges in the Medicare physician fee schedule and the Medicare Access and CHIP Reauthorization Act, and for the opportunity to submit this statement for the record.

The ASH represents more than 18,000 clinicians and scientists worldwide who are committed to the study and treatment of blood and blood-related diseases. These disorders encompass malignant hematologic disorders such as leukemia, lymphoma, and multiple myeloma, as well as non-malignant conditions such as sickle cell disease, thalassemia, bone marrow failure, venous thromboembolism, and hemophilia. In addition, hematologists are pioneers in demonstrating the potential of treating various hematologic diseases and continue to be innovators in the fields of stem cell biology, regenerative medicine, transfusion medicine, and gene therapy. Our mission is to foster high-quality, equitable care, transformative research, and innovative education to improve the lives of patients with blood and bone marrow disorders.

As this Committee knows, inadequate physician reimbursement further increases the strain on the U.S. health care system. For over 30 years, the value of Medicare physician reimbursement has eroded, declining by 33 percent from 2001 to 2026, when adjusted for inflation. During this time, the conversion factor changed very little: set at \$31.00 when the Medicare Physician Fee Schedule was implemented in 1992 and only increased by \$2 in 34 years to \$33.40 today. MACRA provided some relief through statutory updates to the conversion factor, but only from 2015 – 2019. After that, there were no statutory updates to the conversion factor until a differential conversion factor for physicians in participating in the Merit-based Incentive Payment System and Advanced Alternative Payment Models was implemented in 2026. This long period with a lack of positive updates and the MPFS’ budget neutrality requirements dictated a series of statutorily required cuts to the conversion factor over the last several years, creating challenges for physicians and their practices as they experienced increased costs delivering care.

Meanwhile, other payment systems under the Medicare program receive annual inflationary updates. Providing payment rate increases to hospitals, skilled nursing facilities, outpatient centers, and ambulatory surgical centers, while withholding comparable updates for the physicians who furnish care in those settings, is unjustifiable. The healthcare system depends on physicians to deliver high quality care to Medicare beneficiaries. Congress must act to create a permanent sustainable payment solution for physicians to continue delivering care to Medicare beneficiaries.

The continued erosion in Medicare physician reimbursement is distinctly acute for hematologists and has accelerated workforce shortages in hematology and other cognitive specialties, limiting access to necessary care for patients across the country. Hematology, particularly classical hematology, is facing

a severe workforce shortage<sup>1</sup>, limiting access to much needed expertise in complex hematological disorders, such as sickle cell disease and thalassemia, as well as complex hematologic malignancies, including leukemias, lymphomas, and myelomas. This shortage is driven by new physicians' concerns of balancing the eroding Medicare reimbursement rates that cover physician and staff salaries, supplies, and equipment, and significant medical school debt. This pressure discourages trainees from entering the field, pushes experienced physicians toward early retirement or to reduce clinical hours, and threatens the sustainability of community-based practices that care for aging and medically complex patients. As access to specialized hematology services declines, patients face longer wait times, fragmented care, and delayed diagnosis and treatment.

At the same time, the practice of hematology is rapidly evolving and becoming increasingly complex, requiring physicians to stay current with the latest innovations as they evaluate and recommend new therapies to their patients, such as recently approved cellular and gene therapies and the expanding availability of bone marrow transplantation. The proliferation of these new and complex therapies comes at a time when the costs of practicing medicine are growing, while Medicare reimbursement, accounting for inflation, is shrinking.

Furthermore, without positive updates to the Medicare Physician Fee Schedule (MPFS) conversion factor, budget neutrality requirements exert even greater downward pressure on Medicare reimbursement and exacerbate the impression that specialties are pitted against one another when new codes are added to the MPFS, or a family of codes is recommended for an increase in valuation, due to the redistributive impacts of other payments under the MPFS. As a result of this, ASH supports efforts to reform budget neutrality requirements, including increasing the outdated budget neutrality threshold of \$20 million, and encourages Congress to consult with health economists to determine the most appropriate update.

Additionally, Congress should provide an increase every five years equal to the cumulative increase in the Medicare Economic Index (MEI). By raising the threshold in this manner, redistribution of funds across the MPFS will be more equitable, preempting a cycle of drastic cuts to the conversion factor when new services are added to the MPFS or when high-volume services, like evaluation/management (E/M) services, are revalued.

The American Society of Hematology encourages Congress, on a bipartisan basis, to address these longstanding structural challenges in the Medicare physician payment system. Meaningful reform will require sustained collaboration to ensure Medicare beneficiaries have continued access to high-quality physician services.

Thank you for the opportunity to provide these comments. ASH looks forward to working with the Committee to address administrative and regulatory burdens that contribute to physician burnout and workforce shortages and protect access for aging adults to timely, high-quality care. Should you have any questions or wish to discuss these issues further, please contact Carina Smith at [casmith@hematology.org](mailto:casmith@hematology.org)

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<sup>1</sup> Go LT, Go LT, Gunaratne MDSK, Wolanskyj-Spinner AP, Ashrani AA, Elliott MA, Godby RL, Hook CC, Padmos LJ, Pruthi RK, Rivera CE, Rouse RL, Shah S, Shaikh ME, Siddiqui MA, Sridharan M, Wysokinska EM, Go RS, Abeykoon JP. Assessment of classical hematologists and classical hematology fellowship programs at NCI-designated cancer centers. *Blood Adv.* 2025 Oct 28;9(20):5343-5346. doi: 10.1182/bloodadvances.2025016644. PMID: 40795177; PMCID: PMC12597626.