

# MEDICARE REFORM CAN'T WAIT

Patient Access to Care *Depends* On It

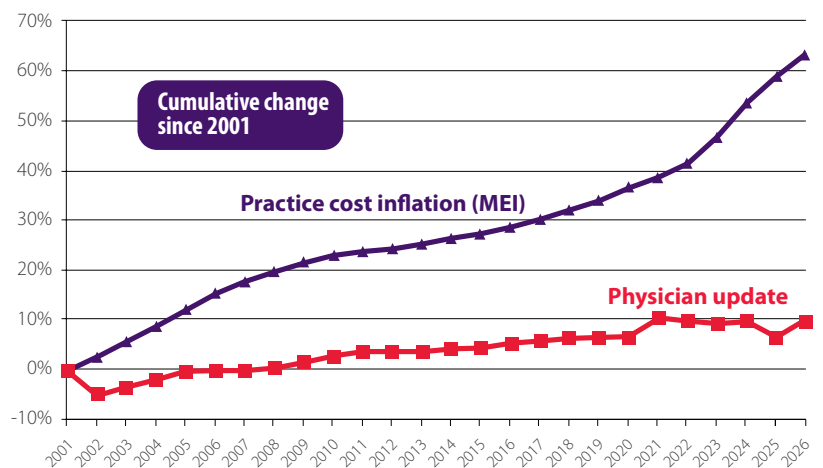
While Congress passed a one-year 2.5% Medicare physician payment increase for 2026 under the One Big Beautiful Bill Act, this temporary relief fails to address the root of the problem for physician practices already struggling to continue to care for their elderly and chronically ill patients.

Congress must act now to enact comprehensive reform that ensures a sensible, stable system for physicians and their patients.

Unlike all other Medicare providers, physicians are the only ones who do not receive annual inflationary updates<sup>1</sup>, and their payments have fallen 33% since 2001.<sup>2</sup> The modest 2026 raise does little to catch physicians up and follows five years of consecutive cuts. On top of that, the Centers for Medicare & Medicaid Services' final 2026 payment schedule contains other negative factors that cancel it out.<sup>3</sup>

**THE RESULT:** Strained physician practices are forced to reduce how many new Medicare patients they can see, retire early, or leave their medical practice altogether – and access to care for *all patients* suffers. Others are shifting away from independent practice under the strain of consolidation and vertical integration, which can leave patients with fewer access to care options, especially in rural areas.

## Medicare Physician Updates Compared to Inflation in Practice Costs (2001-26)



Sources: American Medical Association, Federal Register, Medicare Trustees' Reports, Centers for Medicare & Medicaid Services (CMS) Market Basket Data, and Quality Payment Program (QPP) Experience Report. Note: In 2026, qualified participants in an Advanced APM received a different update from non-qualified participants. Data from the PFS final rule and QPP report were used to construct a weighted average of the physician update for 2026.

“Economic realities are forcing me to look at other practice models or perhaps retire early and leave the medical profession.”

**John Freiler, MD, San Antonio**  
*allergist/immunologist*

### TMA RECOMMENDATIONS:

**The solution:** Enact comprehensive legislation to 1) ensure physicians receive inflationary updates tied to the Medicare Economic Index<sup>4</sup> (pursuant to MedPAC recommendations); and 2) eliminate budget neutrality requirements.

1. American Medical Association ([https://fixmedicarenow.org/sites/default/files/2025-01/Medicare%20Provider%20Updates\\_2025.pdf](https://fixmedicarenow.org/sites/default/files/2025-01/Medicare%20Provider%20Updates_2025.pdf))

2. American Medical Association (<https://fixmedicarenow.org/sites/default/files/2026-01/2026-medicare-updates-inflation-chart.pdf>)

3. Texas Medical Association Comments on the 2026 Proposed Medicare Physician Fee Schedule, Sept. 12, 2025 ([https://www.texmed.org/uploadedFiles/Current/2016\\_Advocacy/2026\\_Proposed\\_Medicare\\_Physician\\_Fee\\_Schedule.pdf](https://www.texmed.org/uploadedFiles/Current/2016_Advocacy/2026_Proposed_Medicare_Physician_Fee_Schedule.pdf))

4. American Medical Association (<https://fixmedicarenow.org/sites/default/files/2026-01/medicare-updates-inflation-2015-2026-chart.pdf>)

**Health care can't wait. Reform Medicare now.**