

## AAFP: Expected 0.5 percent pay increase reduced to zero

November 18 2015

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(HealthDay)—A small but promised Medicare pay increase has effectively been reduced to zero for all physician specialties, according to the final 2016 Medicare physician fee schedule and a report published by the American Academy of Family Physicians.

A 0.5 percent positive update to the Medicare conversion factors was specified by the Medicare Access and CHIP Reauthorization Act of 2015, which was signed into law in April. The Centers for Medicare & Medicare Services was to reduce the relative value units of overvalued CPT codes by 1 percent for 2016. They were unable to do so, identifying only 0.23 percent, and consequently the agency was required to make up 0.77 percent by reducing the overall conversion factor.

The rule also provides Medicare [payment](#) for advance care planning, and

outlines changes to the Physician Quality Reporting System, ensuring all 2016 physician and group practice measures will be available online. The 2016 fee schedule rule also clarifies the value-based payment modifier, establishing policies to transition from the value modifier to the Merit-based Incentive Payment System (MIPS) and applying incentives to help meet MIPS criteria and avoid payment penalties.

"This most recent reduction in the 2016 Medicare fee schedule shows continued weakening of the fee-for-service payment model," Wanda Filer, M.D., M.B.A., president of the AAFP, said in the [report](#).

**More information:** [More Information](#)

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