



The Medicare Patient Choice Act (H.R. 4204) FAQs

Which health care providers can currently opt out of Medicare?

Currently, MDs/DOs, Dentists, Podiatrists, Optometrists, Physician Assistants, Clinical Nurse Specialists, Certified Registered Nurse Anesthetists, Certified Nurse Midwives, Clinical Psychologists, Clinical Social Workers, Registered Dietitians, and Nutrition Professionals can formally opt out of Medicare. The Centers for Medicare & Medicaid Services (CMS)'s Chapter 15 of the [Medicare Benefit Policy Manual](#) contains the list (Sec. 40.4).

What organizations support the Medicare Patient Choice Act?

- Academy of Doctors of Audiology
- American Chiropractic Association
- American Occupational Therapy Association
- American Physical Therapy Association
- American Physical Therapy Association Private Practice
- American Speech-Language Hearing Association

Is there data on how many physicians opt out of Medicare?

Yes, this January 2025 Kaiser Family Foundation (KFF) [article](#) shows that about 1.2% of all non-pediatric physicians have formally opted out of the Medicare program in 2024. The share was highest for psychiatrists (8.1%), followed by plastic and reconstructive surgeons (4.5%) and neurologists (3.2%).

If this bill became law, what would a PT have to do to opt out of Medicare?

In order to opt out, the PT must file an opt-out affidavit with the Medicare Administrative Contractor (MAC) or Carrier that administers any jurisdiction they practice in. PTs will be held to continuous two-year opt-out periods. Once formally opted out, the PT is forbidden to see any Medicare beneficiary without having them sign a private contract first. These contracts must be kept on file in the PT's office, available to be sent to the MAC, Carrier, or to CMS should they be requested. The Medicare beneficiary will pay the PT directly for all care provided and not accept any payment from Medicare.

PTs can currently not be a participating provider in Medicare and still see Medicare patients by becoming a nonparticipating provider in Medicare. Compared to the above actions for a PT to opt out of Medicare, how does a PT currently become a Medicare non-participating provider?

To become a non-participating Medicare provider, the PT would enroll in Medicare and choose not to sign the participating provider agreement. Doing this would also not include the PT in the Medicare directory as a provider. As a non-participating provider, the PT can choose to accept assignment for individuals claims (accept Medicare's approved amount as payment in full) or not. When a non-participating Medicare PT accepts the Medicare rate, it is 5% less than what a participating provider receives under the Medicare physician fee schedule.

When a non-participating Medicare PT declines assignment (aka Medicare rate), a PT may charge a Medicare beneficiary up to 15% above what Medicare pays known as a limiting charge. This is in addition to the traditional 20% coinsurance. Some states, like New York, have specific laws that may lower the limiting charge percentage for certain services.

The overall process can be administratively burdensome for the PT and their staff, while also confusing for the Medicare beneficiary. For a PT to collect the maximum amount allowed (115% of the Medicare physician fee schedule rate) for a declined assignment, the Medicare beneficiary would have to pay the entire amount out of pocket. Once the PT files the claim with CMS, the beneficiary would be reimbursed by CMS for the covered amount.

How much would H.R. 4204 save the federal government?

Two years ago, APTA and AOTA hired an outside firm, Dobson & DaVanzo, to conduct a cost analysis. Their report shows that this bill would save the federal government approximately \$140 million over 10 years. But we believe it could save more. When they did the scoring 2 years ago, they used a draft bill that didn't include the audiologists or chiropractors, so adding those two professions, as H.R. 4204 does, could increase the savings.

Can providers opt out at the clinic level or by National Provider Identifier (NPI) level?

Opting out is an individual practitioner's decision, and not a clinic's or group practice's.