ENDOCRINE SOCIETY
Hormone Science to Health

July 11, 2024

The Honorable Sheldon Whitehouse
United States Senate
530 Hart Senate Office Building
Washington, DC 20510

The Honorable Bill Cassidy
United States Senate
455 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Whitehouse and Senator Cassidy:

On behalf of the Endocrine Society, the world's largest professional organization of endocrinologists, thank you for the opportunity to provide comments on S. 4338, the Pay PCP's Act. Founded in 1916, the Endocrine Society represents approximately 18,000 physicians and scientists engaged in the treatment and research of endocrine disorders, such as diabetes, hypertension, infertility, obesity, osteoporosis, endocrine tumors cancers (e.g., thyroid, adrenal, pancreatic, ovarian, pituitary) and thyroid disease. Our membership includes over 11,000 clinicians who are on the front lines in treating diabetes and obesity, which are two of the most common chronic illnesses in the United States. Many of our members treat Medicare beneficiaries with these costly, chronic conditions, and reforms to physician payment will help ensure those beneficiaries continue to have access to high-quality care.

We appreciate your leadership in introducing this legislation. While this legislation is called the Pay PCPs Act, endocrinology faces many of the same challenges as primary care with Medicare beneficiaries struggling to access the specialized care our members provide. As you may know, there is a shortage of adult endocrinologists across the country which has significantly affected rural and underserved areas and will continue to rise.[1] The Society believes that mis-valuation of evaluation and management (E/M) services, which are the primary services billed by endocrinologists in the Medicare Physician Fee Schedule (MPFS), is one factor contributing to this shortage, and we appreciate that your legislation takes steps to address how these services are valued. Given our expertise in these issues, we would like to provide comment specifically on the technical advisory committee (TAC) provisions of this legislation:

Technical advisory committee to help CMS more accurately determine Fee Schedule rates

The Society supports the creation of a technical advisory committee (TAC) to define and value E/M and other non-procedural services more accurately. As you may know, endocrinologists are non-procedural specialists, and we believe that mis-valuation of E/M services billed by our members is one driver of the shortage of endocrinologists across the United States. According to Medicare claims data, 77% of total services billed under the MPFS by endocrinologists are for E/M services (99202-99215 and 99221-99233) in the office/outpatient and inpatient

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settings.[2] Additionally, approximately 86% of E/M services billed by endocrinologists are provided in the office setting. As a result, endocrinologists have not been paid as well compared to other specialties. The Society participates in the American Medical Association (AMA) Specialty Society Relative Value Scale Update Committee (RUC), and we believe it serves an important purpose in the valuation of specific services. However, the process does not work as well for E/M and non-procedural care as it does for procedures. Despite the best efforts of the AMA CPT and RUC and CMS, the challenges with E/M codes persist and contribute to the shortage of endocrinologists, other cognitive specialists, and primary care physicians.

Following an analysis of data, research, methodologies, and knowledge gaps, a TAC would be well-suited to develop a set of recommendations to address inadequacies of E/M service code definitions and valuations and ensure payment is adequate for these services. We support the intent of this legislation, which would establish a TAC to provide the Secretary with technical input regarding the accurate determination of relative value units. However, we recommend modifying the composition of this committee to ensure that the appropriate input is being heard on E/M and non-procedural services. While the legislation calls for committee to be composed of individuals "reflecting diverse experiences in provider payment," it only specifies providers in primary care or family medicine. We think the TAC should include individuals with expertise in all areas of healthcare policy, such as physicians, patients, health economists, coders, health informaticists, and other stakeholders with expertise in payment policy; with this expertise, the committee will be well-positioned to address the challenges faced across cognitive specialties.

The TAC's charge should be to implement an evidence-based, data-driven approach to assess the E/M and non-procedural service code definitions and ensure that their valuations are accurate, reliable, and reflect the value of the specialty expertise and longitudinal care our members deliver to Medicare beneficiaries. Following an analysis of data, research, methodologies, and knowledge gaps, a technical advisory committee would be well-suited to develop a set of recommended changes to address inadequacies in the E/M service code definitions and valuations.

Additionally, we recommend that the TAC provision of the legislation be separated from the sections on hybrid payment and reducing beneficiary cost sharing. While we understand that endocrinologists could be included in a hybrid payment system, we have concerns about advancing this before the valuations of E/M services are revisited and hybrid payments have been evaluated in endocrinology and other internal medicine subspecialties. Appropriate valuation of E/M services is required for hybrid payments or other alternative payment models to succeed. Otherwise, new payment models will just perpetuate the existing problems of the Medicare Physician Fee Schedule.

Thank you again for the opportunity to provide feedback on this important legislation. We stand ready to work with you to improve this bill. If you have any questions or we can be of any further assistance, please contact Rob Goldsmith, Director of Advocacy and Policy at rgoldsmith@endocrine.org.

Sincerely,

Robert Lash, MD
Chief Medical Officer