COGNITIVE CARE ALLIANCE

February 21, 2017

The Honorable Tom Price
Secretary
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Dr. Price:

On behalf of the Cognitive Care Alliance (Alliance), representing over 100,000 physicians across a broad range of cognitive specialties, I seek your support for a national research survey of cognitive work. We believe that Centers for Medicare and Medicaid Services (CMS) must rectify the deficiencies in the Physician Fee Schedule (PFS) by correcting inaccuracies in both the definitions and the valuations of the evaluation and management (E/M) services codes, the very services necessary to achieve comprehensive, coordinated, cost effective care.

The E/M work performed by our members is critical to both the appropriate utilization of Medicare resources and the success of the recently implemented Medicare Access and CHIP Reauthorization Act (MACRA). As a result of payment disparities directly attributable pricing inaccuracies, the professional services from the specialties represented by the Alliance will not be available for future Medicare beneficiaries without reform. The facts speak for themselves, with declining student interest, unfilled residency positions and projected workforce shortages.

The *Omnibus Reconciliation Act of* 1989 gave CMS the sole responsibility for the accurate pricing of physician services relative to one another. Over the past quarter century, the relativity of the PFS has been distorted. As the cognitive work performed by our members has evolved and become more complex, relative payment has fallen. Without reform, there will be too few physicians available who focus on whether or not to perform a procedure, apply a technology, employee a biopharmaceutical, or perform the core disease prevention and health promotion functions of primary care and other cognitive services.

As you formulate your path toward high quality and affordable care, the Alliance asks that you ensure the accurate definition and valuation of the evaluation and management (E/M) service codes. There has been no adjustment in the definitions and only incremental changes in their valuations since the development of the Resource Based Relative Value Scale (RBRVS), despite the increasingly complex and interacting medications and healthcare conditions seen in Medicare

beneficiaries by the physicians of the Alliance. There is demonstrably more work involved with intense E/M services than 25 years ago. Despite their best efforts, CMS has not been able to address this issue.

The Alliance believes that the pricing reflected in the PFS must be "evidence-based." Specifically, we believe that CMS must prioritize the development of a reliable and representative knowledge-base for the pricing of physician services that ensures the accuracy and reliability of physician payment for E/M services. There are four necessary steps:

1. Commission research, administered by the CMS, to accurately describe the full range of E/M (cognitive) physician services;
2. Use this knowledge-base to develop new E/M service codes that accurately and discretely capture the purely cognitive patient care delivered by physicians;
3. Ensure the appropriate relative valuations for the E/M service codes; and
4. Establish documentation expectations for these new service codes that are appropriate in the context of current health information technology.

Our members are united in our concerns about the deficiencies of the E/M services and believe CMS must act. The existing E/M codes do not accurately define discrete levels of cognitive service, do not capture the broad range of cognitive services, and undervalue the critical role that careful evaluation and consideration have in ensuring the safe provision of appropriate, effective, and high quality healthcare services to patients.

CMS understands the issues. The 2017 Physician Fee Schedule final rule states that "It is essential that the RVUs under the fee schedule be based as closely and accurately as possible on the actual resources used in furnishing specific services to make appropriate payment and preserve relativity among services." Significant revisions in the PFS requires careful planning since they will take time to complete and implement. However, failure to initiate reform of the PFS so that services are reliably priced creates further complications that will undermine innovation in health care delivery.

We believe that the research proposed by CMS to explore the E/M services provided during the 10 and 90 day global payment periods offer and important opportunity to explore the entire landscape of E/M physician services. Understanding the work intensity of the E/M services provided during global payment periods implies a solid understanding of the work intensity for all other E/M services. Specifically, CMS states that "... For global surgical packages, this requires using objective data on all of the resources used to furnish the services that are included in the package. Not having such data for some components may significantly skew relativity and create unwarranted payment disparities within the fee schedule."

The global periods include E/M services drawn from the existing physician fee schedule based on the assumption that the resources required, including work intensity, are identical to those provided outside of the global package. The 2017 Final Rule presents the research specifications for the investigation of E/M work provided during the global payment periods but the proposed methodology does not address specifically the work intensity of the E/M services provided.

We believe that the follow-up work performed within the global periods and the continuity work performed by cognitive physicians cannot be represented by the same codes. The care required by a patient recovering from a procedure is fundamentally different from the typical follow-up of an established outpatient or inpatient, especially when there are multiple simultaneous interacting conditions, a single metastable chronic illness, or one or more acute exacerbated chronic illnesses that requires inpatient care and expertise.

As data is collected and the work performed during the global periods is assessed, the Alliance is confident this fundamental difference in the E/M work will be evident. We believe that the data collected will allow CMS to take the first steps toward understanding the differences between post-surgical E/M services and E/M services provided in all of the situations. We recognize that further study of E/M service codes will be needed in order to develop service codes that capture the work of cognitive services.

CMS has previously recognized its authority to conduct surveys, other data collection activities, studies, or analysis, as the Secretary deems appropriate, to facilitate the review and appropriate adjustment of potentially misvalued services. The agency also recognizes that, "To the extent that such mechanisms prove valuable, they may be used to collect data for valuing other services."

Successful implementation of MACRA assumes new models of care delivery will be built from trustworthy building blocks. Reworking the E/M service codes is critical to this success of any value-based payment model. Without accurate service pricing, distortions of fee-for-service payment will persist. With a well-constructed and valid representative knowledge-base, new service codes can be defined and provided with appropriate relative valuations that recognize the complexities and demands of current medical practice. There is a "complexity density" within the work of cognates that is not properly identified or valued in the existing fee schedule.

As you formulate your policies to improve the nation's healthcare delivery system, we believe that it will be in the best interests of Medicare beneficiaries and all others who receive healthcare insurance to fully commit CMS to accurate valuations within the RBRVS. This will fundamentally improve access to the very physicians services required to achieve a high value healthcare system. The Alliance looks forward to supporting your efforts in this area, and we remain committed to doing all that we can to preserve a balanced and effective physician workforce for the future.

If you require any further information or require additional information, please contact Erika Miller, Executive Director of the Cognitive Care Alliance, at emiller@dc-crd.com or (202) 484-1100.

Sincerely,

John Goodson, MD
Chair

cc: Andrew Bremberg, Director, White House Domestic Policy Council
Katie Talento, Health Policy Advisor
Patrick Conway, CMS Acting Administrator & Deputy Administrator for Innovation and Quality

Cognitive Care Alliance Member Organizations:

American Academy of Neurology
American Association of the Study of Liver Diseases
American College of Rheumatology
American Gastroenterological Association
American Society of Hematology
Coalition of State Rheumatology Organizations
Endocrine Society
Infectious Diseases Society of America
Society of General Internal Medicine