

United States Senate

WASHINGTON, DC 20510

September 20, 2018

The Honorable Seema Verma
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
200 Independence Avenue, SW
Washington, DC 20201

Dear Administrator Verma:

We write to comment on the Centers for Medicare & Medicaid Services (CMS) Calendar Year (CY) 2019 Physician Fee Schedule (PFS) Proposed Rule and provide feedback on the proposed changes to payments for Evaluation and Management (E&M) services. While we support CMS's stated goals of streamlining documentation requirements and providing additional flexibility to providers, we have concerns with the proposed rule's potential negative impact on Medicare beneficiaries – especially those with complex conditions. Rather than finalizing these proposed changes for CY 2019, we urge CMS to take time to engage with the stakeholder community and identify an alternative approach to reforming the payment system for E&M services that achieves CMS's stated goals without negative, unintended consequences for beneficiaries or their providers.

E&M services represent approximately one quarter of allowed charges in the Medicare PFS and account for billions of dollars in annual Medicare spending. Medicare beneficiaries with a wide variety of chronic conditions rely on physicians and other health care providers who primarily bill E&M services in caring for their complex patients. It is imperative that any significant policy changes to the existing payment system for E&M services fully address the complicated issues surrounding the appropriate coding, payment, and documentation requirements for E&M services, ensure appropriate reimbursement for providers, and – above all – prioritize the beneficiary.

We agree that both patients and providers may benefit from significant reform to the current documentation system and we commend your goal and efforts to reduce paperwork and unnecessary administrative tasks. Unfortunately, we have serious concerns with CMS's proposal to collapse payment rates for Levels 2 through 5 into one composite rate for E&M visits, combined with a few add-on payments for special circumstances. We share the goal of administrative simplification and better aligning incentives to maximize high quality patient care, but we are concerned that this policy, as proposed, will result in unintended consequences that will negatively affect Medicare beneficiaries with complex conditions and the providers that care for them. We also have concerns over the agency's proposal to single out podiatric physicians for reduced reimbursement.

We appreciate CMS's efforts to develop policy that will help shift our payment system from one that prioritizes volume over value to one that rewards quality over quantity. However, it is critical that CMS take additional time to engage with the stakeholder community to identify alternatives prior to finalizing any significant changes to the payment system for E&M services, especially given the short amount of time proposed for implementation. A robust and collaborative process that involves clinicians, academic medical centers, patient advocates, legislators, and other stakeholders will ensure that CMS can implement a policy that accomplishes the goals of improved patient care, administrative simplification, and better incentive alignment, but does so without negative, unintended consequences.

We urge you to refrain from finalizing your proposed changes to E&M services for CY 2019, and instead use this next year to engage with the stakeholder community to identify an alternative approach to reforming the payment system for E&M services in a way that ensures high-quality care for all Medicare beneficiaries, including those with complex needs.

Thank you again for your interest in improving the PFS. We appreciate your consideration, and look forward to continuing to work with you on this important priority.

Sincerely,



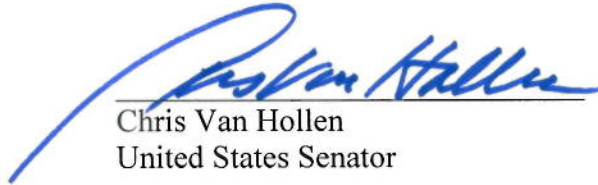
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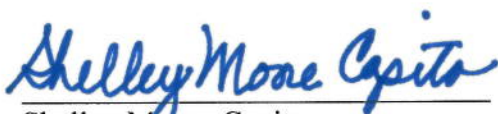
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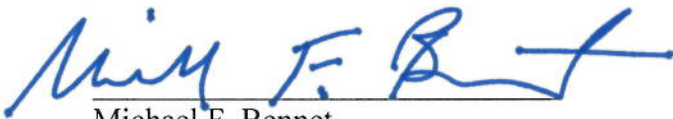
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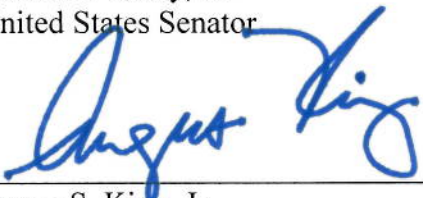
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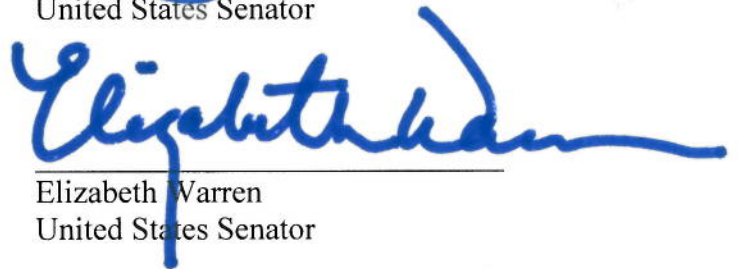
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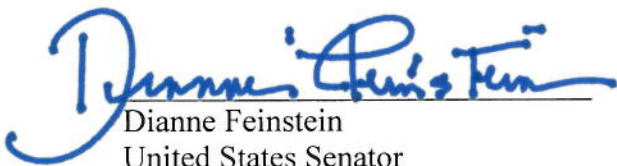
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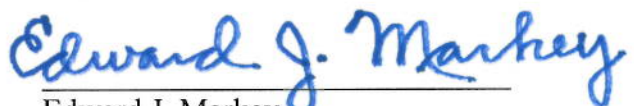
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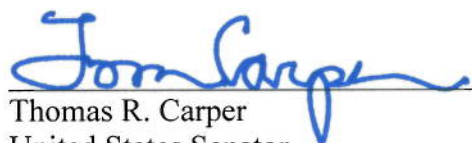
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