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July 10, 2024

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

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

RE: Pay PCPs Act Request for Information

Dear Senators Whitehouse and Cassidy:

The American Society of Hematology (ASH) thanks you for the opportunity to provide comments on the request for information (RFI) related to the *Pay PCPs Act*. We appreciate your leadership and work to properly value physician services.

ASH represents more than 18,000 clinicians and scientists worldwide who are committed to the study and treatment of blood and blood-related diseases. These disorders encompass malignant hematologic disorders such as leukemia, lymphoma, and multiple myeloma, as well as classical (non-malignant) conditions such as sickle cell disease, thalassemia, bone marrow failure, venous thromboembolism, and hemophilia. In addition, hematologists are pioneers in demonstrating the potential of treating various hematologic diseases and continue to be innovators in the fields of stem cell biology, regenerative medicine, transfusion medicine, and gene therapy. Our mission is to foster high-quality, equitable care, transformative research, and innovative education to improve the lives of patients with blood and bone marrow disorders.

The continued erosion in Medicare physician reimbursement is distinctly acute for hematologists. Like primary care physicians, hematologists, especially classical hematologists, are facing a severe workforce shortage- as noted in ASH's recent letter to the Senate Finance Committee's draft proposal on Graduate Medical Education- limiting access to much needed expertise in complex hematological disorders, like sickle cell disease. This shortage is driven by new physicians' concerns of balancing the eroding Medicare reimbursement rates that cover physician and staff salaries and supplies, and other commitments such as significant medical school debt. At the same time, the practice of hematology is rapidly evolving and becoming increasingly complex, requiring physicians to stay current with the latest innovations as they evaluate and recommend new therapies to their patients, such as the recently approved cellular and gene therapies and the expanding availability of bone marrow transplantation. The proliferation of these new and complex therapies comes at a time when the costs of practicing medicine are growing, while Medicare reimbursement, accounting for inflation, is shrinking.

Like primary care, the practice of hematology is primarily cognitive. The complex care delivered by hematologists is captured by high level evaluation and management (E/M) services. ASH members typically treat patients in an office setting: providing complex disease management, developing treatment plans, and partnering with patients to implement complicated therapeutic

regimens. For these reasons, improved Medicare reimbursement and the proper valuation of physician services, particularly E/M services, is of paramount importance to hematologists. ASH is grateful for the Centers for Medicare and Medicaid Services' (CMS) recent work to redefine and revalue outpatient E/M services and to reimburse for HCPCS code G2211, an add-on code billed with E/M care for patients with whom a physician has a longitudinal relationship. However, these improvements still do not fully capture the complexity of hematologic care.

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

ASH is pleased to see that this legislation creates a new technical advisory committee (TAC) within CMS to advise the agency on new methods to more accurately determine payment rates and correct existing distortions which lead to inadequate reimbursement for high-value activities and services, like those provided by our members. ASH has long supported the concept of establishing a committee of experts to provide input on evidence-based data on E/M and non-procedural services. We recognize that the TAC's scope, as currently drafted, is broad; we strongly encourage revising the TAC's charge to focus on evaluating E/M and non-procedural services, rather than all services, particularly given the TAC's time limitation.

ASH participates in the American Medical Association's (AMA) CPT® Editorial Panel and RVS Update Committee (RUC) and believes they serve an important purpose in the definition and valuation of specific services. However, we have seen how these processes function when defining and valuing E/M and procedural care; they are not as effective for E/M and non-procedural care as they are for procedures. The RUC survey process captures quantifiable data about procedures; however, the cognitive, non-procedural care provided by hematologists, and other internal medicine subspecialists, is more difficult to quantify in a RUC survey. There are components of this cognitive work beyond time and intensity, including physician expertise and experience, which is an extremely important factor in the care our members provide to our patients. The pace of medical knowledge that the hematologist must incorporate into the patient's care is increasing at an extraordinarily rapid rate saving millions of people. The standard of care in hematology changes from month-to-month as new treatments are developed. Additionally, our members form long-standing, trusted relationships with their patients as they help them navigate complex, long-term conditions. The evolving knowledge and relationships required to deliver high quality hematological care are not currently measured or captured by a RUC survey. Therefore, ASH is of the opinion that the E/M codes and other non-procedural services cannot be accurately defined by these existing processes, and a supportive process is necessary to accurately capture this work.

Despite the best efforts of the AMA CPT Editorial Panel, RUC and CMS, the challenges with E/M codes persist and are a driver of the shortage of hematologists and other cognitive specialists, including primary care physicians. Therefore, ASH supports the establishment of a TAC to define and value E/M and other non-procedural services more regularly as a supplement to the AMA's RUC. 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 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. Further, ASH believes that the composition of a TAC should include individuals with expertise in healthcare policy, such as physicians, patients, health economists, coders, health informaticists, and other stakeholders with expertise in payment policy. With expertise spanning the spectrum of healthcare stakeholders, the TAC would be well-positioned to address the challenges faced across cognitive specialties and we encourage modifications to the TAC's composition to ensure this diversity of expertise is met.

Hybrid payments for primary care providers

ASH recognizes that this legislation allows the Secretary of Health and Human Services to establish hybrid payments, but these hybrid payments will only be available to primary care providers. Like primary care providers, hematologists can serve as the medical home for patients with blood-related diseases. With expertise in diagnosing, treating, and managing blood-related diseases, hematologists are well-equipped to provide comprehensive care for their patients. Based on our reading of the language, hematologists and other internal medicine subspecialists who serve as the usual

source of care could be eligible for these hybrid payments. While ASH appreciates that a potentially more robust payment model may be available to our members through this legislation, the Society has significant reservations about its application to hematology as a subspecialty at this time given the lack of reliable data and research examining how such a model would function in internal medicine subspecialty settings.

Therefore, ASH believes that the TAC should be bifurcated from the hybrid payment model. It is important to first improve the accuracy of the fee schedule upon which new payment models would be developed before creating these models to support primary care and cognitive specialties, like hematology. For example, as indicated in the bill text, the services included in the hybrid payment model's prospective, per-member-per-month payment structure may include office-based E/M services. However, if E/M codes are inadequately valued, the hybrid payment model will remain inadequate and perpetuate the reimbursement challenges that primary care and specialties are facing. The proper valuation of E/M services will be critical to establish before implementing a hybrid payment system for primary care providers or more widely for subspecialty providers. ASH urges you to consider bifurcating the TAC to allow for more efficient passage of the TAC and to ensure that the valuations of physician services are accurate and can be used in future hybrid payment models.

Thank you for the opportunity to provide these comments. We look forward to working with you to protect Medicare beneficiary access to physician services and ensure that all physician services are properly valued. Should you have any questions or wish to discuss these issues further, please contact ASH Manager, Health Care Access Policy, Carina Smith, MPP, MBA, at casmith@hematology.org.

Sincerely,

Mohandas Narla, DSc
President

Mary-Elizabeth M. Percival, MD
Chair, Committee on Practice