



AMERICAN COLLEGE OF PHYSICIANS
INTERNAL MEDICINE | *Doctors for Adults*®

August 6, 2013

The Honorable Jim McDermott
1035 Longworth HOB
U.S. House of Representatives
Washington, DC 20515

Dear Congressman McDermott:

On behalf of the American College of Physicians, I am writing to share our views on the Accuracy in Medicare Physician Payment Act of 2013, H.R. 2545. ACP is the largest physician medical specialty society, and the second largest physician membership organization, in the United States. ACP members include 137,000 internal medical physicians (internists), related subspecialists, and medical students. Internal medicine physicians are specialists who apply scientific knowledge and clinical expertise to the diagnosis, treatment, and compassionate care of adults across the spectrum from health to complex illness.

The College strongly supports the goal of improving the accuracy of the relative value process, and we reaffirm our long-standing support for the 2006 recommendation by the Medicare Payment Advisory Commission (MedPAC) to establish an independent Medicare Expert Advisory Panel to supplement the Specialty Society Relative Value Scale Update Committee (RUC) process, focused on identifying and reviewing potentially misvalued services. The College also recognizes and supports the contributions of RUC in providing CMS with expert advice on the relative values for physician services and is an active participant in the RUC. We believe that CMS should be directed to take steps to obtain data from independent sources, in addition but not in lieu of the RUC, to carry out the agency's statutory responsibility to ensure relative value unit (RVU) accuracy. Accordingly, we continue to support the following recommendation from MedPAC's 2006 report to Congress:

“The Secretary should establish a standing panel of experts to help CMS identify overvalued services and to review recommendations from the RUC. The group should include members with expertise in health economics and physician payment, as well as members with clinical expertise. The Congress and the Secretary should ensure that this panel has the resources it needs to collect data and develop evidence. The expert panel established by the Secretary would not supplant the RUC, but would augment it. The expert panel would assist CMS by using the results of data analyses to identify potentially misvalued services and assess whether those services warrant review by the RUC. Changes in volume, increases in claims for multiple services, and adjustments to practice expense—among other changes—can signal the need to revise valuations of physician work.”

Our understanding is that the intent of the Accuracy in Medicare Physician Payment Act of 2013 is to implement the MedPAC recommendation as stated above. Our review of the bill has

identified some areas where we believe clarification is needed to ensure that the independent expert panel is focused on, “identifying potentially misvalued services and assess whether those services warrant review by the RUC” and “not [to] supplant the RUC , but . . . augment it” as intended by MedPAC. Accordingly, although we support the *intent* of H.R. 2545, the College respectfully seeks changes/clarification of the following elements to make it more consistent with our understanding of the 2006 MedPAC recommendation:

- Clarify that the independent expert panel’s role is to identify, review and make recommendations, on an annual basis, to HHS on a subset of potentially misvalued services, with supporting evidence for such recommendations, rather than directing it to review all existing RVUs;
- Clarify that the independent expert panel’s role is to review RVUs proposed by other sources *when requested by the Secretary of HHS*, rather than requiring that all such RVU recommendations go through the expert panel;
- Clarify that the *independent expert panel has no direct “oversight” authority over RVUs submitted by private sector organizations*, including but not limited to the RUC;
- Ensure that the bill does not limit the Secretary’s ability to request, initiate, consider, accept or reject RVU recommendations directly from the RUC or other sources that have not gone through the independent expert panel, or limit HHS’s ability to seek RUC review of “misvalued” code recommendations from the independent expert panel.


In addition, we recommend that the bill address concerns about the challenges in accessing data from proprietary sources to ensure the accuracy of RVUs and that it also ensure sufficient funding for the independent expert panel and the agency’s data collection and review activities.

We also note that although we agree with a “checks and balances” approach to ensuring the accuracy of RVUs that would include an independent expert panel, as described above, we also believe that the RUC makes valuable contributions to this process that should be recognized. ACP is an active participant in the RUC process: we have a permanent seat on the RUC representing internal medicine; in addition, our nominee was recently elected as the first person to represent the RUC’s new rotating primary care seat. This seat, combined with the creation of a new seat for geriatrics, was an important step forward in addressing concerns expressed by ACP and others on the under-representation within the RUC of primary care and other “cognitive” specialties. In addition, the RUC has a rotating seat for an internal medicine subspecialty, which often is filled by a subspecialist from a cognitive-related medical specialty. The College also supports greater transparency in the development of RVUs, and is encouraged that the RUC agreed last year to report the vote totals on RVU recommendations. We also note that the RUC has played a key role in recommending new codes and relative values for management of patients with complex chronic diseases, a concept that the CMS recently incorporated into its notice of proposed rulemaking on the 2014 Medicare physician fee schedule, and also is included in the Medicare Patient Access and Quality Improvement Act, H.R. 2810, of 2013, approved on July 31, 2013 by the House Energy and Commerce Committee. This bill also includes authority for CMS to collect data independently from physician practices to improve the accuracy of RVUs, which the College supports, provided that this section of the bill is modified so that savings from reducing misvalued RVUs are redistributed back to the

physician payment RVU pool and specifically, to increase payments for undervalued evaluation and management services.

In conclusion, although ACP supports the intent of the Accuracy in Medicare Physician Payment Act, we request that you consider the changes/clarifications described above to ensure that it is consistent with the original MedPAC recommendation as we understand it, particularly as it relates to the RUC. We support a checks and balances approach that includes authority for HHS to collect data from independent experts and other sources to improve the accuracy of RVUs, while respecting the ongoing contributions made by the RUC to provide HHS with expert advice from physicians on the work involved in their services, and acknowledging the steps outlined above that the RUC has taken to improve its own processes, data and representation.

Sincerely,

A handwritten signature in black ink that reads "Molly Cooke". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Molly Cooke, MD, FACP
President, American College of Physicians