September 10, 2018

Ms. Seema Verma, MPH
Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
Attention: CMS-1694-P
P.O. Box 8011
Baltimore, MD 21244-1850
Submitted online via regulations.gov

Re: CMS-1693-P – Medicare Program; Revisions to Payment Policies Under the Physician Fee Schedule and Other Revisions to Part B for CY 2019; Medicare Shared Savings Program Requirements; Quality Payment Program; and Medicaid Promoting Interoperability Program

Dear Administrator Verma:

The Coalition of State Rheumatology Organizations, or CSRO, is a group of state or regional professional rheumatology societies formed in order to advocate for excellence in rheumatologic disease care and to ensure access to the highest quality care for the management of rheumatologic and musculoskeletal diseases. Our coalition serves the practicing rheumatologist.

On behalf of CSRO and the undersigned state rheumatology societies, we are pleased to provide feedback on proposals outlined in the 2019 Medicare Physician Fee Schedule (MPFS) and Year 3 Quality Payment Program (QPP) proposed rule. Through the Alliance of Specialty Medicine and Cognitive Care Alliance, CSRO provides feedback on other proposals and comment solicitations that broadly impact specialists and those providing cognitive care, including rheumatologists. In this comment letter, however, CSRO and the undersigned state rheumatology societies, focus on specific issues that uniquely impact practicing rheumatologists and the beneficiaries they serve.

Evaluation and Management (E/M) Proposals

CSRO opposes CMS' E/M proposals. Not only are these proposals detrimental to the stability and relativity of the entire Medicare physician fee schedule, they are particularly harmful to the most complex and chronically ill Medicare beneficiaries diagnosed, treated and managed by cognitive specialty physicians.

Reducing E/M documentation requirements on clinicians is a laudable and important goal that falls squarely into CMS' "Patients Over Paperwork" initiative. However, coupling this proposed policy with a single, blended payment rate for key E/M services (Level 2-5) devalues the expertise provided by rheumatologists when providing thorough examinations, rendering accurate diagnoses, offering a

complete range of treatment options, and delivering comprehensive and effective management of complex health conditions, such as rheumatoid arthritis, lupus and other rheumatic diseases.

And, while we appreciate that CMS has recognized rheumatologists as providing more complex care by proposing an "add-on" code for specialty visits, we strongly oppose this proposal, as well. The add-on code is inappropriately funded by a multiple procedure payment reduction (MPPR) that would arbitrarily reduce values for key services, including those provided by rheumatologists in treating rheumatic diseases, when provided in conjunction with an E/M service. We note that the additional services CMS would use to fund the add-on code already take into account efficiencies that are expected when performed in conjunction with E/M services.

In addition, the E/M proposals have a substantial impact on the overall relativity in the physician fee schedule. By creating a new "E/M" specialty, every specialty has observed significant swings in their indirect practice cost index (IPCI) (upward and downward). The Rheumatology IPCI decreased by 36 percent as a consequence of the E/M proposal, which resulted in drastic reductions in values for several key services. For example, CPT code 76881, *Ultrasound, extremity, nonvascular, real-time with image documentation; complete,* is an emerging diagnostic tool in rheumatic disease. CSRO has already expressed concern that the direct practice expense inputs are not reflective of how the technology is used by a growing number of rheumatologists, yet CMS declined to respond to our concerns in the CY 2018 MPFS final rule. Now, with the decline in the Rheumatology IPCI, the reductions in this code are so steep that it may be impossible for ultrasound programs to continue in many rheumatology practices, forcing rheumatologists to send their patients to more expensive settings for diagnostic imaging.

For the reasons outlined in our coalition comments, and given the impact on overall relativity in the PFS, ***CMS must withdraw its flawed E/M proposals***. ***We urge CMS to work with the medical community through the AMA CPT/RUC process and pursue an alternative solution that achieves reduced administrative burden and costs for both physicians and the agency.***

Part B Drugs

We have in the past expressed our opposition to any proposal that reduces physician reimbursement in an attempt to reduce drug prices, because such a policy adds yet another misaligned incentive to our drug supply chain. The add-on is intended to compensate for acquisition costs ranging from storage to markups by middlemen. Reducing the add-on has no effect on the underlying price – it merely punishes physicians, who have no control over the setting of drug prices, for the actions of others in the drug supply chain who do have direct control over pricing. Additionally, in rheumatology, the prices of most products are in a sufficiently similar range that the percentage add-on is not drastically different among them. Rheumatologists do not financially benefit in any meaningful way from prescribing one product versus another. In any event, simply cutting the percentage in half does nothing to solve what CMS believes is a perverse incentive in a percentage add-on structure. Instead, it will merely harm small, rural, and other low-volume practices, who will be further underwater on drug acquisition than they currently are. On behalf of practicing rheumatologists, ***we oppose this proposal and respectfully request CMS not to finalize it.***

Alternative Payment Models (APMs)

To ensure rheumatologists can meaningfully engage in AAPMs, there must be models that address conditions we diagnose, manage and treat, and that ensure our patients access to the medicines they need. We note that the Center for Medicare and Medicare Innovation (CMMI) issued a Request for

Information (RFIs) on a "new direction" and the Department of Health and Human Services (HHS) issued a RFI on its Drug Pricing Blueprint, both outlining pathways to address prescription drug costs. CSRO has been fortunate to meet with CMMI and HHS leadership to discuss model concepts that would address rheumatoid arthritis, a chronic and progressive disease that relies almost exclusively on pharmaceuticals and biologics paid under both Parts B and D. Our understanding is that limitations on the Secretary's authority in Part D prevents a number of novel arrangements, however, we remain interested in discussing opportunities to address bending the cost curve and ensuring our patients have access to the medicines they need to manage their rheumatic conditions. We also note that, since our last discussion, new diagnostic tools have emerged that may assist in directing patients to the most appropriate therapy more quickly, allowing rheumatologists to bypass prescribing an entire drug class for certain individuals.

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Thank you for considering our comments, and we look forward to working with you on the Medicare physician fee schedule and Quality Payment Program for 2019 and future years. Should you have any questions, please contact Emily L. Graham, RHIA, CCS-P at 703-975-6395 or egraham@hhs.com.

Sincerely,

Coalition of State Rheumatology Organizations
Arkansas Rheumatology Association
Arizona United Rheumatology Association
Association of Idaho Rheumatologists
California Rheumatology Association
Florida Society of Rheumatology
Kentuckiana Rheumatology Alliance
Massachusetts Maine and New Hampshire Rheumatology Association
Midwest Rheumatology Association
Michigan Rheumatism Society
Mississippi Arthritis & Rheumatism Society
North Carolina Rheumatology Association
Nebraska Rheumatology Society
New York Rheumatology Society
Ohio Association of Rheumatology
Oregon Rheumatology Association
Philadelphia Rheumatism Society
Rheumatology Association of Iowa
South Carolina Rheumatism Society
Washington Rheumatology Association
Wisconsin Rheumatology Association