

3300 Woodcreek Drive Downers Grove, Illinois 60515 630-573-0600 / 630-963-8607 (fax) Email: <u>info@asge.org</u> Web site: <u>www.asge.org</u>

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The Honorable Orrin Hatch Chairman Senate Finance Committee U.S. Senate Washington, DC 20510 The Honorable Ron Wyden Ranking Member Senate Finance Committee U.S. Senate Washington, DC 20510

Dear Chairman Hatch and Ranking Member Wyden:

On behalf of the American Society for Gastrointestinal Endoscopy (ASGE), I am writing in support of Section 2205 of H.J. Res. 128, which would continue for an additional three years the existing flexibility in the Medicare Access and CHIP Reauthorization Act (MACRA) that the Centers for Medicare and Medicaid Services (CMS) is currently using.

Specifically, we strongly support giving CMS the flexibility to weight the cost category of the Merit-Based Incentive Payment System (MIPS) at not less than 10 points but not more than 30 points for an additional three years while better resource use measures are developed.

Physicians lack confidence in the Medicare spending per beneficiary (MSPB) and total per capita cost measures, as well as their reliability, which are currently being used by CMS to assess physician resource use under MIPS. ASGE, and its member volunteers, are committed to the development of measures that more accurately reflect physician resource use. These measures must first be thoroughly vetted and tested before being used to measure a physician's resource use. Toward this end, the additional flexibility afforded to CMS to weight the cost category under 30 points is appreciated.

When physicians participate in quality improvement activities, patients benefit and the potential exists for cost savings to accrue to the health care system. However, to realize these positive outgrowths, physicians must be first given the opportunity to succeed within the new MIPS and alternative payment model (APM) payment structures. Key to the long-term success of MACRA is the flexibility provided in the law that allows CMS to select a performance threshold during the first two years of the program other than the "mean or median" standard. We strongly support the continued gradual increase in the performance threshold afforded under Section 2205.

And while ASGE appreciates the technical amendments to MIPS as included in H.J. Res. 128, we ask you to the abandon the proposal at Section 2704 to extend the current Medicare policy that requires CMS to meet a target of misvalued physician services.

Not once has CMS met the statutory targets set forth under the *Protecting Access to Medicare Act (PAMA) of 2014*, which were later amended by the *Achieving a Better Life Experience (ABLE) Act*. Consequently, CMS has been required to make adjustments to the conversion factor, which constitutes an across-the-board cut to physician fee schedule services.

Instituting targets for relative value adjustments for misvalued codes has had a particularly negative effect on services that have experienced steep payment reductions as a result of being identified as misvalued. For example, in 2016 colonoscopy payments were drastically reduced, with some codes cut more than 17 percent. Because the 1.0 percent misvalued target was not met, gastroenterologists were subjected to another reduction in payments so the target could be achieved.

ASGE opposes the extension of an arbitrary statutory target that penalizes both primary and specialty care. Even in absence of a target, Section 3134 of the Affordable Care Act requires CMS to assess the accuracy of the valuation of essentially all Medicare Part B PFS services on an on-going basis and to correct any service determined to be misvalued.

The temporary statutory updates under MACRA were intended to provide a period of stability as physicians made the necessary practice changes to participate in MIPS or APMs. The misvalued codes policy has erased the investment Congress intended to make to help physician practices prepare for MACRA. ASGE urges Congress to reject extension of the misvalued code targets and the Medicare cuts that would likely ensue.

ASGE appreciates your consideration of its positions. Should you require additional information, please contact Camille Bonta, ASGE policy consultant, at (202) 320-3658 or cbonta@summithealthconsulting.com.

Sincerely,

Karen L. Woods, MD, FASGE President