

North Carolina

Established 1849



Medical Society

Leadership in Medicine

August 30, 2011

Donald M. Berwick, MD
Administrator, Centers for Medicare & Medicaid Services
United States Department of Health & Human Services
Room 445-G, Hubert H. Humphrey Building
200 Independence Avenue SW
Washington, DC 20201

Submitted electronically via <http://www.regulations.gov>

Re: Medicare Program; Payment Policies under the Physician Fee Schedule and Other Revisions to Part B for CY 2012. File Code CMS-1524-P.

Dear Dr. Berwick:

The North Carolina Medical Society (NCMS) is pleased to comment on the proposed Medicare Physician Fee Schedule rule for calendar year 2012, as published in the Federal Register by the Centers for Medicare & Medicaid Services (CMS) on July 19, 2011.

NCMS is a 12,000-member professional society composed of licensed physicians and physician assistants of every medical specialty across North Carolina. Our members deliver all types of medical services to Medicare beneficiaries under Medicare Part B. NCMS is therefore highly interested in the development of the CY 2012 Medicare Physician Fee Schedule (MPFS) rule, how it will affect reimbursement to physicians, and the ability for Medicare beneficiaries to access care. Our detailed comments about the Proposed MPFS Rule are as follows:

The Sustainable Growth Rate (SGR) as a MPFS Update Methodology

In the Proposed MPFS Rule CMS acknowledges that the statutory formula used to determine MPFS updates will result in a spike in the conversion factor and a corresponding 29.5 percent fee schedule reduction in January 2012. NCMS remains very concerned with the potential impact of such drastic cuts on physician participation in Medicare and patient access to care. Congress's continued practice of authorizing temporary relief from these cuts is unsustainable, and only serves to undermine physician and patient confidence in this crucial federal program. The sustainable growth rate (SGR) methodology long ago revealed its flaws, so we support CMS's stated commitment to working with Congress to permanently replace the SGR for MPFS updates.

Value-Based Modifier

The NCMS believes that implementation of clinically relevant quality measures for all aspects of medical care will continue to gain importance among purchasers of care. We further believe

Donald M. Berwick, MD
August 30, 2011

that clinicians, not payers, must be integrally involved in the development of those measures. While we realize that Section 3007 of the Affordable Care Act mandates implementation of a value-based modifier for the MPFS, we continue to be very concerned that the implementation schedule is unrealistic. Implementation based on a rigid schedule can lead to the use of measures that do not have the support of appropriate professional organizations, and are not, in fact, reliable measures of value or quality. The Proposed MPFS Rule makes only aspirational statements about stakeholder input and support. Failed implementation will delay effective measurement of value far longer than is needed to gain the input and support of those caring for Medicare patients. Accordingly, we encourage the Secretary to make maximum use of the limited flexibility afforded in Section 3007 of the ACA to gain physician support for measures that are used in the value-based modifier.

Multiple Procedure Payment Reduction (MPPR) Policy Expansion

The 2012 Proposed Rule contains a proposal for CY 2012 to expand the MPPR policy to the physician interpretation component of advanced imaging services, including CT, MRI, and ultrasound. The technical component in each of these imaging services is already subject to Medicare's MPPR policy, whereby Medicare pays the full amount for the most expensive service and 50% of the technical component for any additional imaging services provided to the same patient in the same session. CMS bases the proposals on expected efficiencies in furnishing multiple services in the same session due to duplication in the physician's work. CMS goes on to announce that it is "aggressively looking for efficiencies in other sets of codes", and seeks feedback on numerous other proposed expansions of the MPPR policy in coming years.

NCMS echoes the concerns stated by the American Medical Association and the affected national medical specialty societies, and urges CMS to refrain from subjecting entire families of procedure and imaging codes to blanket rate reductions. In the case of advanced diagnostic imaging, CMS should instead focus its efforts on ensuring that Medicare beneficiaries receive necessary diagnostic services at the appropriate times.

The North Carolina Medical Society appreciates the opportunity to comment on this set of important proposals and hopes to collaborate with CMS as discussions continue.

Respectfully,



John R. Mangum, MD
President

Copy: Robert W. Monteiro, MD, President-elect
Robert W. Seligson, Executive Vice President/CEO