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September 26, 2019

The Honorable Nancy Pelosi Speaker U.S. House of Representatives Washington, D.C. 20515

The Honorable Mitch McConnell Majority Leader U.S. Senate Washington, D.C. 20510 The Honorable Kevin McCarthy Majority Leader U.S. House of Representatives Washington, D.C. 20515

The Honorable Charles Schumer Minority Leader U.S. Senate Washington, D.C. 20510

RE: Congressional Efforts to Strengthen MACRA

Dear Speaker Pelosi, Leader McCarthy, Leader McConnell, and Leader Schumer:

I am writing on behalf of the American Society of Plastic Surgeons (ASPS) regarding the need to implement positive payment adjustments for physicians and improve the Quality Payment Program (QPP) under the Medicare Access and CHIP Reauthorization Act (MACRA) in the 116th Congress. ASPS is the largest association of plastic surgeons in the world, representing more than 7,000 members and 93 percent of all board-certified plastic surgeons in the United States., it is our responsibility to advance quality care for patients and promote public policy that protects patients. Our top priority is to ensure that patients receive necessary services wherever and whenever they need our care.

ASPS opposed MACRA when it was signed into law during the 114th Congress because we believed the law was not prescriptive enough to encourage participation in quality programs and alternative payment models for specialty physicians. As such, we appreciated the technical improvements to the law made by Congress in the Bipartisan Budget Act of 2018. However, Congress must enact additional MACRA improvements to ensure that Medicare physician payments keep pace with the true market dynamics of providing medical care to the nation's most vulnerable patient population. For these reasons, we encourage Congress to provide a viable legislative solution that implements positive payment updates and encourages specialty participation in the Quality Payment Program (QPP).

Provide Positive Physician Payment Updates to the Physician Fee Schedule Conversion Factor

With the enactment of MACRA, physicians were provided a modest 0.5% positive payment update to the Medicare Physician Fee Schedule for five years. However, beginning in January 2020, the Medicare conversion factor will see no positive payment updates for six years until January 2026. This is especially concerning for ASPS because this payment update freeze will fail to address even the annual 2.2 percent cost increase physicians face according to the 2019 Medicare Trustees Report. ¹ When considered on top of the unending increase in burden from new administrative and reporting requirements, this proposed payment update freeze is deeply troubling.

¹ 2019 Annual Report of the Boards of Trustees of the Federal Hospital Insurance and federal Supplementary Medical Insurance Trust Funds. (2019)

For these reasons, we strongly encourage you to extend the statutory positive physician payment updates over the next six years to ensure that Medicare providers receive fair reimbursement for their services. This is critical to ensuring that patients have access to Medicare-participating physicians.

Encourage Meaningful Specialist Participation in the Quality Payment Program (QPP)

Plastic surgery involves highly-specialized care, and as such, our physician members strongly support Medicare payment models that truly value and reward the quality of surgical care provided and patient outcomes. Unfortunately, a vast majority of plastic surgeons and other specialists can only actively participate in one Quality Payment Program (QPP) at this time – the Merit-based Incentive Payment System (MIPS). MIPS presents challenges for our specialty because of the four different program components and the lack of transparency on their final scoring. We feel that the current scoring components fail to prioritize the quality of care outcomes as originally intended with the law. Particularly, we would support the removal of the "all-or-nothing" threshold for the Promoting Interoperability (PI) category and rather encourage providing specialists with the opportunity to select from a list of measures that appropriately fit their practice and patients.

While more plastic surgeons would like the opportunity to engage in the other QPP pathway, Advanced Alternative Payment Models (A-APMs), their participation is limited because the currently approved models are intended for primary-focused care. That's why we urge Congress to ensure that the Center for Medicare and Medicaid Innovation (Innovation Center) approves additional models that are developed by specialists to encourage greater specialist participation.

A-APMS present great potential for specialists, but they are not being utilized due to CMS's approval process. Given specialists' limited access to specialty A-APM models, Congress should extend the original A-APM incentive payments for an additional six years so specialty physicians have the opportunity and motivation to transition over to this new, innovative payment model once more options are available. These incentive payments are a key driver to help alleviate physician costs driven by new technology, workflow operations, and staffing demands, which are often necessary to transition to new health care delivery systems called for by the A-APMS pathway.

With Medicare playing a vital role in our nation's health care system, we encourage you to take additional measures to ensure that specialty physicians have fair access and reimbursement under MACRA before the end of the 2019 calendar year. We appreciate this opportunity to provide insight and recommendations on this issue, which is highly important to plastic surgery patients and our members, and we hope we can be a resource should you look to craft a viable legislative solution. Please do not hesitate to contact Patrick Hermes, Director of Advocacy and Government Relations at phermes@plasticsurgery.org or (847) 228-3331 with any questions.

Sincerely,

Alan Matarasso, MD, FACS

President, American Society of Plastic Surgeons

cc: Members, U.S. House of Representatives and Senate