Chairman Richard E. Neal
House Ways and Means Committee
1102 Longworth House Office Building
Washington, DC 20515

Chairman Frank Pallone
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, DC 20515

Ranking Member Kevin Brady
House Ways and Means Committee
1139 Longworth House Office Building
Washington, DC 20515

Ranking Member Greg Walden
House Energy and Commerce Committee
2322 Rayburn House Office Building
Washington, DC 20515

April 23, 2019

Dear Chairman Neal, Ranking Member Brady, Chairman Pallone, and Ranking Member Walden:

The undersigned organizations write to express our strong opposition to H.R. 2143, the "*Promoting Integrity in Medicare Act*." If enacted, this legislation would severely limit patient access to life-saving services provided within coordinated care models as well as further fragment the healthcare delivery system during the transition to value-based payments and alternative payment models (APMs).

The in-office ancillary services exception (IOASE) allows clinicians to provide some services in the office setting, including advanced diagnostic imaging (MRI, PET, and CT scans), radiation therapy, anatomic pathology, and physical therapy, when complex and detailed supervision, location, and billing regulatory requirements are met. In the case of diagnostic studies, in-office access to these services can facilitate immediate diagnosis and help deliver rapid, appropriate treatment of a disease condition, in a setting that is more convenient, comfortable and familiar to a patient. The benefit of providing these medical services in the physicians' office setting is not limited to facilitating diagnoses; integration of these services facilitates the development of coordinated care models, improves communication between clinicians, offers better quality control of ancillary services and enhances data collection – all of which improves patient care and maximizes efficiencies.

Medicare Access and CHIP Reauthorization Act (MACRA) has fundamentally transformed the delivery of healthcare. MACRA provides important opportunities to move toward value-based payment paradigms rather than the traditional fee-for-service model. A successful transition to an innovative APM requires more coordination of care within and across specialties to improve patient outcomes and reduce overall health care costs. Data shows that independent physician groups are able to create alternative payment models that are both high quality and extremely cost effective.[1] Repealing the IOASE will severely restrict the ability of independent physicians to develop and participate in these new innovative payment models and as such is fundamentally antithetical to the goal of creating integrated care models. Indeed, restricting or eliminating the IOASE will further splinter our healthcare delivery system and make it more difficult to shift from fee-for-service to value-based payments.

The IOASE has enabled our practices to provide convenient, integrated and less expensive high-quality care. As studies by Milliman Inc.— commissioned by the American Medical Association and the Digestive Health Physicians Association— showed utilization of ancillary services in physician

[1] McWilliams JM, Chernew ME, Zaslavsky AM, et al. Delivery system integration and health care spending and quality for Medicare beneficiaries. (2013) JAMA Internal Medicine, 173(15), 1447-1456.

practices is a small percentage of total spending on ancillary services and is declining or growing more slowly than in hospital settings.[2,3]

Any effort to repeal the IOASE should be rejected. The exception should be preserved to invigorate competition among health care providers and to ensure that physician practices can offer comprehensive care to keep costs down.

Our organizations seek to protect Medicare beneficiaries by providing high quality, ethical care in a setting that benefits the patient and facilitates care coordination. We strongly urge you to oppose H.R. 2143, legislation that would severely limit patient access to care and impede the successful implementation of innovative payment reforms currently underway.

Sincerely,

American Academy of Dermatology Association
American Academy of Neurology
American Academy of Ophthalmology
American Association of Clinical Urologists
American Association of Neurological Surgeons
American Association of Orthopaedic Surgeons
American College of Cardiology
American College of Gastroenterology
American College of Rheumatology
American College of Surgeons
American Gastroenterological Association
American Medical Association
AMGA
American Society for Dermatologic Surgery Association (ASDSA)
American Society of Echocardiography
American Society for Gastrointestinal Endoscopy
American Society for Mohs Surgery
American Society of Neuroimaging
American Society of Nuclear Cardiology
American Urological Association
Cardiology Advocacy Alliance (CAA)
Congress of Neurological Surgeons
Digestive Health Physicians Association
LUGPA
Medical Group Management Association
National Association of Spine Specialists
Society for Cardiovascular Angiography and Interventions (SCAI)
The US Oncology Network
The OrthoForum

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[2] American Medical Association, Milliman Study, March 2015; https://www.ama-assn.org/system/files/corp/media-browser/premium/washington/medicare-ancillary-services-report_0.pdf

[3] Digestive Health Physicians Association, Milliman Study, February 2015; https://www.dhpassociation.org/wordpress/wp-content/uploads/2015/07/milliman-03-2009-2013-medicare-utilization-analysis.pdf