



## COLLEGE of AMERICAN PATHOLOGISTS

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April 17, 2020

*Sent via email*

Leah Timmerman  
Staff Vice President, Provider Solutions  
Anthem, Inc.

Paul Marchetti  
Senior Vice President, Network and Care Delivery Transformation  
Anthem, Inc.

Dear Ms. Timmerman and Mr. Marchetti:

Pathology practices are in serious jeopardy across the nation right now, not only for the same reasons related to the COVID-19 pandemic that presently threaten many health care providers, but because even while the routine anatomic pathology services on which we typically rely to support our practices have gone into abeyance, this same emergency has simultaneously vastly increased the critical demand for the laboratory directorship services we provide, which are professional services that should be compensated. Therefore, the CAP is requesting Anthem to cease implementation of the announced 2019 fee schedule cuts and, where already implemented, reinstate payments to the previous levels. We also urge Anthem to recognize and pay for the professional component of clinical pathology. Patients today are paying close attention to the availability of testing, quality of care, and overall fairness of the current health care system, and to factors which impede this availability – we ask that Anthem work with us to ensure these patients receive the testing and treatment they need.

As you know from our earlier communications, the CAP is extremely concerned about Anthem's changes to its fee schedules for pathology services, which threaten the financial viability of pathology practices and the ability of pathologists to provide care for patients. Our questions and concerns about the basis on which these new rates were calculated remain, and how Anthem's express effort to not consider different practice settings and market dynamics may result in blanket rate cuts that would lower reimbursement below the cost of providing the services in many circumstances. We continue to hear from our members about their frustration, fear, and financial concern, as they work through difficult business decisions that result from these changes. However, we are especially alarmed to hear from members who are fraught with worry about how they can manage Anthem's payment cuts in the middle of an unprecedented national emergency.

Pathologists are on the frontline of the current COVID-19 crisis, responsible for ensuring prompt and accurate testing for patients and healthcare providers alike. Meanwhile, because of the crisis, they face a shift in health care priorities resulting in increased unreimbursed expenses, together with a hiatus in less-urgent surgeries and other procedures. For many pathology practices, this combination of circumstances is causing a significant financial shortfall, with uncertainty about how to keep their practices afloat. These financial setbacks are exacerbated by Anthem's rate cuts, which were already threatening the sustainability of practices, and have made it increasingly difficult to continue providing essential diagnostic services. The inability of pathologists to serve the rural and smaller hospitals that rely on them to ensure access to care for the most vulnerable patients is especially problematic.

Thus, the COVID-19 national emergency not only highlights the importance of ensuring access to the usual care and needed pathology and laboratory services – including those of

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hospital-based pathologists, independent laboratories, and others – it casts a bright light on the full range of services pathologists provide in patient care. Pathologists direct clinical and anatomic pathology laboratory services and serve as the expert laboratory consultants to other physicians and hospital leadership; this is in addition to triaging and interpreting biopsies, and evaluating surgical, cytology, and autopsy specimens. Clinical pathology services include development, approval and evaluation of appropriate test methods (including instrumentation, reagents, standards, and controls), pre- and post-analytical oversight, and direct involvement with technologists and clinical colleagues to ensure prioritization and proper response to test results. During the COVID-19 national emergency, pathologists in hospitals and independent laboratories around the country have been responsible for developing and/or selecting new test methodologies, validating and approving testing for patient use, and expanding the testing capabilities of the communities they serve to meet emergent needs. Pathologists assure compliance with all laboratory regulatory and accreditation standards, while preventing overuse or improper application of tests. In fact, pathologists are uniquely positioned to assist in adding value to patient care and controlling costs through application of evidence-based approaches. The influence of all these pathology services on clinical decision-making is pervasive and constitute a critical infrastructure and foundation appropriate care. Hindering access to high-quality pathology services through reduced rates or lack of payment for pathology and laboratory services adversely affects patient diagnosis, treatment, and outcome. Now more than ever, patients and their treating physicians appreciate their reliance on the expertise of pathologists and the availability of appropriate testing.

The public health and economic consequences of this pandemic are vast, and above anything else we are committed to our patients and to combating this virus. In this vein, we urge Anthem to work in good faith with pathologists who are already facing financial strain, so those pathologists can continue to focus on the essential task of testing and ensuring proper treatment of patients. Specifically, the CAP is requesting that Anthem stop implementation of its rate cuts and, where already implemented, reinstate payments to previous levels, and we urge Anthem to recognize and pay for the professional component of clinical pathology.

Elizabeth Fassbender, Assistant Director, Economic and Regulatory Affairs will contact you to arrange further discussions. She can be reached at [efassbe@cap.org](mailto:efassbe@cap.org) or 608-469-8975.

Sincerely,

Jonathan L. Myles, MD, FCAP  
Chair, Council on Government and Professional Affairs  
College of American Pathologists

cc: Samuel J. Marchio