



April 14, 2020

The Honorable Nancy Pelosi
Speaker
United States House of Representatives
1236 Longworth House Office Building
Washington, D.C. 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
317 Russell Senate Office Building
Washington, D.C. 20510

The Honorable Kevin McCarthy
Minority Leader
United States House of Representatives
2468 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Charles Schumer
Minority Leader
United States Senate
322 Hart Senate Office Building
Washington, D.C. 20510

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

On behalf of the College of American Pathologists (CAP), thank you for your swift efforts to provide relief for the immediate and escalating impacts of the COVID-19 pandemic. As you move forward with crafting additional relief packages, we urge you to include provisions to provide financial assistance to physicians caring for patients.

Pathologists are physicians who specialize in the diagnosis of disease. The expertise they provide drives treatment decisions that optimize outcomes for patients. They play an integral role in the diagnosis of diseases such as cancer (breast, prostate, cervical, leukemia, kidney), hepatitis, cirrhosis, and the novel coronavirus (COVID-19). Indeed, the current pandemic has brought to the forefront the vital role of pathologists and the value that they bring to medicine. Pathologists are integrally involved in direct mitigation of the COVID-19 crisis including testing for accurate and timely diagnosis, as well as work on potential cures. Now more than ever patients and their treating physicians are relying on the expertise of pathologists. Pathologists and the services they provide, including ensuring laboratory quality in communities across the United States, are at the foundation of our health care system. Now is not the time to erode that foundation.

The CAP's specific requests include: 1) waiving budget neutrality for the Medicare payment changes to Evaluation and Management (E/M) Services; 2) further Accelerated and Advance Payment Program (AAPP) improvements; 3) additional funding for the Paycheck Protection Program (PPP); 4) other financial support for physician practices; 5) support for residents and medical students; and 6) funds to states for medical examiner and coroner services.

Waiving Budget Neutrality for E/M Medicare Payment Changes

The CAP requests that Congress take steps to mitigate the Centers for Medicare and Medicaid Services (CMS) looming 2021 payment reductions to all non-Evaluation and Management (E/M) services by waiving budget neutrality for the Medicare payment changes for E/M services. Without intervention, pathologists will see an 8% payment cut in all pathology services in order to help fund the increase in payment for E/M services. This is on top of radical shifts in pathology practices leading to major financial dislocations due to the current pandemic.

Under the new CMS payment structure, physicians and health care providers who do not bill E/M services will be severely penalized based solely on the nature of their practice by a payment reduction as high as ten percent. Any change to E/M services implemented using budget neutrality restrictions, has a significant negative impact on the Medicare payment for all other services



provided on the Medicare physician fee schedule. The CMS has estimated that \$7 billion will be redistributed from these changes in CPT coding and valuation.

Of great concern is the impact that this redistribution will have on access to specialty services, like pathology, for people in rural and underserved areas. These changes coupled with the ongoing COVID-19 pandemic, will have negative financial implications for pathologists in the foreseeable future that necessitate waiving budget neutrality to sustain and enhance patient care. **Therefore, we respectfully urge Congress to waive the budget neutrality requirements stipulated in Section 1848(c)(2) of the Social Security Act for the finalized E/M CPT code proposal. This much-needed action by Congress will provide a critical reprieve for pathologists and other physicians facing substantial payment reductions in the coming months.**

Further Accelerated and Advance Payment Program Improvements

We also urge Congress to take actions to further improve the Accelerated and Advance Payment Program for the duration of the COVID-19 public health emergency. Together with the American Medical Association (AMA), we believe these actions could include postponing recoupment until 365 days after the advance payment is issued, extending the repayment period for physicians to at least two years, and waiving the interest that accrues during the extended payment period.

Currently, the CMS is required to charge interest on the difference between the amount recouped and the total advance payment amount, if the entire advance payment is not recouped within 210 days after the advance payment was made to physicians. This interest rate is 10.25 percent for providers who have not completed repayment by the applicable due date. We urge Congress to grant additional flexibility to waive the interest rates given the unprecedented demands and financial circumstances faced by physicians and other health care providers.

Additional Funding for the Paycheck Protection Program (PPP)

The CAP urges Congress to quickly provide additional funding for the Paycheck Protection Program (PPP) and ensure adequate financial support for physicians and their health care practices. The PPP is a potential lifeline for practices facing significant financial losses as a result of this unprecedented public health crisis, and will help these practices maintain their workforce and focus on the critical task of testing and treating patients. However, the limited amount of funding provided for the PPP and the first-come first-serve nature of the program is distressing many of our members who are already stretched thin. Additional funding would ensure that financially impacted small and mid-size practices can take the necessary time to apply and will be able to access the necessary funding.

Other Financial Support for Physician Practices

The CAP also joins the AMA in supporting other financial support for physician practices. This includes positive payment update to the Medicare Physician Fee Schedule and additional direct funding (grants, interest free loans, and other mechanisms) will help pathology practices remain afloat and allow pathologists to focus on the critical task of testing and treating patients.

Support for Residents and Medical Students

We also encourage Congress to work with the AMA and others to support our residents and medical students, many of whom are playing a critical role in responding to the COVID-19 crisis and providing care to patients on the frontlines. We request Congress provide at least \$20,000 of federal student loan forgiveness or \$20,000 of tuition relief to medical students and residents. These benefits would also apply to third- and fourth-year medical students who are willing, and deemed



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competent, to begin providing early patient care for patients with COVID-19, or who are making other significant contributions to the pandemic response through laboratory diagnosis, forensic medicine, research, public health, or telemedicine.

Support Funding to States for Medical Examiner Services

The CAP urges Congress to provide funding to assist state, local medical examiner and coroner offices to support the COVID-19 related diagnostic services provided by forensic pathologists. Pathologists serve a unique role as medical examiners documenting the spread of disease through society. There is a severe shortage of forensic pathologists, and state and local governments have not been able to keep up with providing the funding needed to ensure adequate resources are available to provide these services. These physicians play a key role in understanding COVID-19 as well as contributing to public health of all Americans, and we urge the inclusion of additional funding to the states for these important services.

Thank you for your thoughtful consideration of these requests. The CAP and its membership remain committed to assisting Congress and the Administration in combatting the COVID-19 pandemic. If you have any questions or comments related to this request, please contact Darren Fenwick at dfenwic@cap.org or Pamela Wright at pawrigh@cap.org.

Sincerely,

Patrick Godbey, MD, FCAP
President