



## COLLEGE of AMERICAN PATHOLOGISTS

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July 16, 2019

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

Dear Mr. Marchetti:

The College of American Pathologists (CAP) continues to hear from members who are seriously concerned with the announced changes to Anthem fee schedules. While there has been limited information publicly available, the CAP understands the new fee schedules to be substantially reduced from prior levels. Given the magnitude of this change, the CAP is requesting a more comprehensive explanation of the reasons that led to the new rates and clarification about how Anthem is valuing pathology services. We also wish to express concern with the process and short timeframe afforded to providers to respond to the new rates. It is imperative that Anthem provide the appropriate information and time so that providers can understand and address the fee schedule changes in a fully-educated manner.

On the information front, confusion continues surrounding the context, reasons, and methodology for Anthem's fee schedule changes. On a May 3, 2019 phone call with staff from the CAP, Anthem representatives indicated that the changes were necessary to remedy disparity across parts of the network and rebalance rates regardless of setting. However, we have heard differing explanations from CAP members, including that the pathology changes may be tied to increases in Evaluation and Management (E&M) codes. Other CAP members are reporting hearing the rates are meant to mirror those paid to large national laboratories, which would not be sustainable for smaller pathology practices. There have also been questions about multi-specialty groups versus single specialty groups and the scope of the term "ancillary service providers." As a result, we are asking Anthem to provide us with a clear and formal explanation of the changes and the current valuation of pathology services, as well as additional guidance and resources on exactly who is impacted by this change and where pathologists can go with concerns or questions.

Related to notification, we continue to have concerns with the process and the short timeframe allowed for providers to respond to the new rates. Providers need timely access to the full fee schedule and adequate time to assess the changes. In some cases, we have heard that physicians are receiving the pertinent information with just days to submit any response. While we understand from prior conversation that providers may contact their regional network manager for additional information, we ask that Anthem provide the response time and further contacts/resources necessary for providers to make fully



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informed decisions on these changes. The CAP will continue to educate members and update you on any issues in the notification process.

Thank you for engaging with us on this important issue. While we hope primarily to address issues related to information and notification, the CAP has serious concern with policies that make it increasingly difficult for pathologists to continue to provide essential diagnostic services to patients and continue to serve the rural and smaller hospitals that have relied on them. Especially for many smaller pathology practices, this kind of significant change could determine the financial viability and continued ability for pathologists to provide care to patients. For further information, please contact Elizabeth Fassbender at [efassbe@cap.org](mailto:efassbe@cap.org), or 202-354-7125.