October 26, 2021

Sent via email

Julie B. Kessel, MD Medical Officer for Coverage Policy Clinical Performance & Quality Organization Cigna kessel@cigna.com

John P. Keats, M.D. National Medical Director for Affordability and Specialty Partnerships Cigna john.keats@cigna.com

Dear Dr. Kessel and Dr. Keats:

On behalf of the College of American Pathologists (CAP), thank you for your continued communication on the updated Cigna reimbursement policy "Modifier 26 – Professional Component." As you know, in our position as the world's largest organization of board-certified pathologists, we must be able to provide clear communication and accurate education about the policy to our members, who are very concerned about these changes. Additionally, we appreciate Cigna's acknowledgment of role of pathologists in providing "laboratory management and oversight services," which are key to reliable and accurate diagnosis and treatment of patients. Your acknowledgement of payment for these professional component services is consistent with CMS practices and AMA/CPT guidance, which we have previously explained¹. However, I write to request needed clarification of how Cigna proposes to operationalize this policy, to ensure our members receive appropriate payment for these services.

In our latest communication from Cigna, dated October 13, 2021, you outlined that the updated policy will apply to both employed and non-employed pathologists working in or for facilities that have assumed the financial responsibility through their Cigna contracts for laboratory management and oversight services. Thus, our understanding from that communication is that Cigna believes responsibility for providing compensation for the professional component of clinical pathology (PC of CP) services for each patient is included in Cigna's contracts with some facilities. It also implies that, by analogy with CMS Part A, payment to pathologists who are providing these services in such facilities ought to be made by the facility, rather than by directly billing Cigna. Conversely, pathologists in facilities where responsibility for providing these services is not explicitly included in the facility contract ought to continue to directly bill Cigna for these services.

If our understanding is correct, this approach to reimbursing pathologists for their professional services is unnecessarily complicated and unduly burdensome. The AMA's recognition of the -26 modifier as an appropriate mechanism to describe the PC of CP services for non-Medicare patients is, quite simply, due to the fact that private insurance companies do not have a PC CP payment mechanism analogous to Medicare Part A. However, if Cigna has devised such a mechanism, please provide answers to the

¹ https://documents.cap.org/documents/cigna-letter-final-april-2021.pdf

following questions as soon as possible. We would appreciate clarification by no later than November 10, 2021, to appropriately advise our members in advance of the implementation of this policy.

- 1. How does Cigna propose to document its payment to facilities where laboratory management and oversight services are provided through the facilities' Cigna contracts? Related, how will Cigna ensure that these facilities understand their obligation to pass-through payment to the pathologist?
- 2. How will Cigna communicate this documentation to pathologists, so that they can understand whether to continue billing as at present with Cigna, or to seek payment for these services from their facilities? Put plainly, how will a pathologist clearly determine whether their facilities' contracts do or do not result in the new denials?

Again, our members require this information for purposes of ensuring appropriate billing for the essential services they provide. We would again refer you to our policy on Pathologist Professional Component Billing for Clinical Pathology Services (see attached). Now more than ever, patients and their treating physicians appreciate their reliance on the expertise of pathologists and the availability of appropriate testing.

I look forward to your prompt response. Please contact Elizabeth Fassbender, JD, Assistant Director, Economic and Regulatory Affairs with your answers or any questions. She can be reached at efassbe@cap.org or 202-354-7125.

Sincerely,

Jonathan L. Myles, MD, FCAP

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Chair, Council on Government and Professional Affairs