July 7, 2020

Sent via email

Laura Stone Vice President, Network Contracting UnitedHealth Group

Dear Ms. Stone:

It is our understanding that UnitedHealthcare has issued new fee schedules to pathology groups in Texas that include cuts to payment rates for these important services. As a result of the current national COVID-19 emergency, pathology practices are in serious jeopardy across the nation. Blanket reimbursement cuts at this time would only exacerbate this crisis, making it increasingly difficult to continue providing essential diagnostic services to patients. Therefore, the CAP is requesting that UnitedHealthcare cease implementation of any planned fee schedule cuts and, where already implemented, reinstate payments to the previous levels. The CAP is also requesting a comprehensive explanation of the changes, including the reasons that led to the new rates and the basis for UnitedHealthcare's valuation of pathology services.

The CAP is extremely concerned about any changes to fee schedules for pathology services that threaten the financial viability of pathology practices and the ability of pathologists to provide care for patients. 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. Further, pathologists are still on the frontline of the 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.

When UnitedHealthcare does not meaningfully take into consideration the range of activities within pathology services and the variation of associated costs and resources across different settings, it limits the ability for patients to continue to receive important diagnostic services. In addition to ensuring that patients receive the right test at the right time with an accurate diagnosis, pathologists coordinate with and educate clinicians, utilize electronic health records, and stay abreast of the most recent advances in diagnostics. 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. The influence of these pathology services on clinical decision-making is pervasive and constitute a critical infrastructure and foundation for appropriate care. Hindering access to high-quality pathology services through reduced rates will adversely affect patient diagnosis, treatment, and outcome.

We urge UnitedHealthcare to cease implementation of any fee schedule cuts and work with pathologists who are facing financial strain. Now more than ever, it is imperative that



pathology practices are accessible across the country and that pathologists can focus on the essential task of testing and ensuring proper treatment of patients.

Elizabeth Fassbender, JD, Assistant Director, Economic and Regulatory Affairs, will contact you to arrange further discussions. She can be reached at efassbe@cap.org or 608-469-8975. Thank you for engaging with us on this important issue.

Sincerely,

Jonathan L. Myles, MD, FCAP

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Chair, Council on Government and Professional Affairs

College of American Pathologists