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ONE HUNDRED THIRTEENTH CONGRESS

Congress of the United States

House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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March 13, 2013

Mr. Glenn M. Hackbarth
Chairman
Medicare Payment Advisory Commission
425 Eye Street, N.W., Suite 701
Washington, D.C. 20001

Dear Mr. Hackbarth:

Thank you for appearing at the Subcommittee on Health hearing entitled "SGR: Data, Measures, and Models; Building a Future Medicare Physician Payment System."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for 10 business days to permit Members to submit additional questions to witnesses, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please e-mail your responses, in Word or PDF format, to carly.mcwilliams@mail.house.gov by the close of business on Wednesday, March 27, 2013.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,

Joseph R. Pitts
Chairman
Subcommittee on Health

cc: Frank Pallone, Jr., Ranking Member, Subcommittee on Health

Attachment

The Honorable Joseph R. Pitts

We understand that in developing the Medicare Advantage (MA) rates each year, CMS assumes that the SGR will produce a physician fee cliff in the coming year. The agency does not take into consideration that the Congress takes action every year to eliminate the cliff. This policy has negatively impacted MA rates and the benefits and premiums plans can offer to beneficiaries. From your understanding, is there a statutory reason that compels CMS to make this assumption?

The Honorable Renee Ellmers

1. During the question posed to you by Representative John Dingell (D-MI), you indicated that curbing excessive imaging is one of short-term ways to improve care and reduce waste in the Medicare system. In light of the fact that advanced diagnostic imaging services have been cut 12 times since 2006, what further imaging reimbursement policies would you reduce to curb "unnecessary imaging procedures?" What specific data (please include line-by-line or specific code analyses) can you provide in support of such policies? Would MedPAC consult with practicing radiologists and include their input when developing these policies?

2. You consistently cite that the primary reason behind high imaging utilization rates is that these services are overpriced. How could advanced imaging services still be overpriced when these services have been cut 12 times since 2006 through such policies as the Deficit Reduction Act of 2005, the CMS Physician Practice Information Survey (PPIS), the professional component multiple procedure payment reduction, and the increase in the equipment utilization assumption rate as stipulated by the recently enacted American Taxpayer Relief Act? Is the ultimate goal of MedPAC to eliminate in-office imaging, thus forcing all Medicare patients to receive imaging services in the hospital setting?

3. You mentioned numerous times in your oral and written testimony that the relative value units (RVUs) for physician work within the Medicare Physician Fee Schedule are incorrect and, in direct response to a question posed by Representative Ralph Hall (R-TX), that the time estimates are "off by a significant amount." What specific data can you provide to justify this statement (please include line-by-line or multiple code analyses)?

4. In the past, MedPAC has recommended Congress and CMS apply multiple procedure payment reductions (MPPR) to the professional and technical components (PC/TC) of advanced diagnostic imaging services. Do you believe these MPPR policies should be based on detailed data analyses indicating what efficiencies exist when interpreting multiple imaging studies on the same patient? Do you believe that random application of 25 or 50% reductions are justified especially in light of the fact that a line-by-line analysis to determine efficiencies within the professional component hasn't been released for public review, to date?