



JUL 10 2015

Administrator
Washington, DC 20201

The Honorable Charles Grassley
United States Senate
Washington, D.C. 20510

Dear Senator Grassley,

Thank you for your recent letter regarding the use of locum tenens arrangements in the Medicare program and the focus of S. 313 to extend such arrangements to physical therapists to improve outpatient access and add flexibility to physical therapy provider arrangements.

We appreciate your questions about the use of locum tenens arrangements, the provision of unnecessary services, the potential for fraudulent or wasteful behaviors and CMS's authority to address inappropriate utilization.

CMS does not have evidence indicating that locum tenens as used by physicians under current law has led to a general increase in utilization of services or that industry practices generally lead to the provision of unnecessary services relating to the use of locum tenens, or that the use of locum tenens under current law in the Medicare program is generally inappropriate, wasteful, or fraudulent.

We appreciate your interest in assuring CMS maintains the proper authority to respond to any abuses of locum tenens. To further that, CMS has solicited comments on the policy for substitute physician billing arrangements in the 2015 Physician Fee Schedule proposed rule, and we are still in the process of considering comments received on some specific issues.

Thank you again for your letter and please contact me should you have any additional questions. I will also provide this response to the cosigner of your letter.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew M. Slavitt".

Andrew M. Slavitt
Acting Administrator