



MAR - 6 2014

Administrator
Washington, DC 20201

The Honorable Tom Price
U.S. House of Representatives
Washington, DC 20515

Dear Representative Price:

Thank you for your letter sharing your concerns regarding the recent changes related to physician payment for epidural injections. The Centers for Medicare & Medicaid Services greatly appreciates your bringing these concerns to our attention.

We understand that these changes will result in payment reductions and want to explain our rationale. These changes were made as part of our efforts to improve payment accuracy by reviewing potentially misvalued codes. We began this initiative in response to concerns raised by Congress, the Medicare Payment Advisory Commission and others. Potentially misvalued codes are reviewed with input from the American Medical Association/Specialty Society Resource-Based Relative Value Scale Update Committee (AMA RUC) and public stakeholders. Each year since 2009, we have identified codes for review by looking for codes with specific attributes, such as those originally valued as inpatient services but that are typically furnished on an outpatient basis, services frequently billed together in one encounter, and high expenditure services that have not been recently reviewed.

In our calendar year (CY) 2012 final rule with comment period, we identified epidural injection as a high expenditure service that had not been recently reviewed. In the CY 2014 final rule with comment period, we established interim final values for the epidural injection code family. In setting these values we used the survey times developed through the AMA RUC process. The interim final revised work and practice expense values established in the CY 2014 final rule with comment period reflect the reductions in time required to perform the service as a result of the surveys submitted with the AMA RUC-recommended values.

We have adopted a process to consider and, as appropriate, revise values for codes that are considered as part of the potentially misvalued codes initiative. Under that process, we establish values for misvalued codes on an interim basis in the final rule subject to public comment. We consider public comments on the interim final values received in response to the final rule, and respond to those comments in the final rule for the following year. In accordance with this process, we have established interim final values for these epidural injection and spinal cord stimulation services, and we will consider public comments in establishing values for the codes in the final rule for CY 2015.

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We understand that this and other changes in the physician fee schedule are expected to result in some interim CY 2014 payment reductions for services previously identified as potentially misvalued. However, we believe that it is critical to continue to refine Medicare payments to more accurately pay for physicians' services.

I appreciate your interest in this important issue as we work towards our mutual goal of strengthening the Medicare program for all beneficiaries. I will also provide this response to the co-signers of your letter.

Sincerely,

A handwritten signature in cursive script that reads "Marilyn Tavenner". The signature is written in black ink and is positioned to the right of the word "Sincerely,".

Marilyn Tavenner

ANDY HARRIS, M.D.
FIRST DISTRICT, MARYLAND



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LEGISLATIVE BRANCH

Congress of the United States
House of Representatives
Washington, DC 20515

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January 23, 2014

Marilyn Tavenner, Administrator
Centers for Medicare & Medicaid Services
Department of Health and Human Services
7500 Security Boulevard
Baltimore, MD 21244
Marilyn.Tavenner@cms.hhs.gov

Dear Administrator Tavenner:

We, the undersigned members of the House GOP Doctors Caucus, are writing regarding the rules for physician payments, hospital outpatient and ambulatory surgical center payments, which were published on November 27, 2013 to be effective January 1, 2014. We are concerned this rule will impact beneficiaries' access to interventional pain management while driving patients to seek treatment in a more expensive setting.

Included in this final rule was a cut to epidural injections with a 36% reduction for physician payment and 58% reduction for procedures performed in an office setting. Specifically, we are concerned with CPT® Codes 62310, 62311, 62318, 62319.

Unless CMS addresses the underpayment for these interventional pain management services as soon as possible, there is a major risk of beneficiaries losing access to interventional pain physicians.

We do not believe the policies proposed in the MFPS rules are in the best interest of patients or taxpayers and would urge you to overturn or delay the final rule.

Thank you for your attention to this important matter. Please contact Chris Meekins in Congressman Andy Harris' office if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Andy Harris".

Andy Harris, M.D.
Member of Congress

Bill Cassidy

Joe Heck

Glenn Hoggren

Thomas D.

Dr. Bishock

Dan Parker

Renald Lim

J. K. Dizon (M)