

October xx, 2012

Marilyn B. Tavenner  
Acting Administrator  
Centers for Medicare and Medicaid Services  
Department of Health and Human Services  
Hubert H. Humphrey Building  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Acting Administrator Tavenner:

We write to express our concerns regarding recent CMS recommendations to expand multiple procedure payment reductions (MPPR) and the proposed 25-percent reduction on the technical component (TC) for the less expensive service. In recent years, CMS has deployed across-the-board payment cuts that do not accurately reflect efficiencies in practice expense or physician work or both when certain services are provided together. The application of a 25-percent reduction to the TC of second and subsequent procedures as presented in the proposed rule is based on flawed assumptions and proposed to be implemented in an unreasonable manner.

We appreciate your efforts to evaluate potentially redundant direct practice expense inputs, but we believe this analysis and proposed expansion of MPPR is based on the flawed assumption that certain clinical labor activities would be performed only once when two or more services are provided to the same patient on the same day by the same physician or another physician in the same group practice. In reality, many of the clinical labor activities CMS considered redundant in the expanded MPPR policy are in fact performed multiple times, at different times of day, and in different rooms that rely on a variety of equipment. In addition to inappropriately reducing payments for redundancies that do not exist, we are concerned that this policy punishes physicians for providing efficient care to their patients and will make it increasingly difficult for physicians to maintain a comprehensive private practice.

Congress has an obligation to carefully analyze the potential effects of proposed payment modifications and the validity of perceived efficiencies. We find that the expansion of MPPR included in the proposed rule is inappropriate and creates disincentives for specialists to provide high quality, patient-centered care. We oppose this proposal and look forward to working with you and your staff to enhance the quality, affordability, and delivery of health care in other ways.

Sincerely,

Representative Marsha Blackburn

Representative John Barrow