

November 12, 2013

Dear Members of the Senate Finance Committee and the House Ways & Means Committee:

The American Academy of Audiology (the “Academy”) is the world's largest professional organization of, by, and for audiologists. The Academy promotes quality hearing and balance care by advancing the profession of audiology through leadership, advocacy, education, public awareness, and support of research. On behalf of nearly 12,000 members, the Academy writes to thank you for your efforts in repealing the Sustainable Growth Rate (SGR) formula and pursuing meaningful payment reform.

We appreciate the commitment of you and the Committee staff in producing the Sustainable Growth Rate (SGR) Repeal and Medicare Physician Payment Reform Discussion Draft on October 30, 2013. Below are our comments on the proposals set forth within that draft and we thank you for the opportunity to offer feedback.

## **I. SGR Repeal and Annual Updates**

We applaud the committee members for repealing the flawed SGR formula and replacing the payment structure with a predictable and equitable methodology. Freezing the fee schedule at current payment levels through 2023, while allowing providers to earn performance-based incentive models, is a fair and logical approach to transitioning from a fee-for-service model to one that is value-based.

## **II. Value-Based Performance (VBP) Payment Program**

### Terminating Current Law Incentive Program Payment Reductions

We appreciate the authors’ innovative approach to ensuring adequate reimbursement. We reserve concerns, however, with regard to the funds that are derived from electronic health records (EHR) meaningful use penalties (see EHR Meaningful Use comments below).

### Professionals Eligible for the VBP Program

The Academy endorses reform that would reward professionals for delivering high quality care and would structure reimbursement to providers, at least in part, based on quality measurement. We advocate that audiologists be among the list of professionals eligible for the VBP Program beginning in payment year 2019. While we concur with the proposal to streamline the three quality measure programs which currently exist, we would also advocate that current reportable audiology measures within these programs, such as the PQRS, be retained.

Independently practicing audiologists are not necessarily eligible to be credentialed as providers for many insurance carriers. This prevents audiologists from engaging in two-sided financial risk programs and also presents a barrier from participation in “advanced” Alternative Payment Models (APM). We would encourage advocacy between Medicare and private insurers to ensure that audiologists are part of these plans and that enrollment is not inadvertently restricted by practice setting.

### Assessment Categories

Although audiology was among the most recent professions added to the list of qualified providers to report under the PQRS, our members are consistently among the most successful among accurately reporting professions. However, given audiology’s delayed eligibility and the lengthy and complex measures development process, only four measures are currently available to audiologists for reporting under the PQRS. Since this is in part due to the significant resources required from the providers themselves as well as the professional associations to which they belong, we are appreciative and supportive of the funding provision for measure development outlined in the provided draft. We would ask that in any interim period, the performance rating of audiologists not be impacted by the lack of available reportable measures.

Given that outcomes measures are often more comprehensive in nature, we recognize the rationale for placing higher overall weight upon the successful reporting of those more complicated measures that result in direct patient healthcare improvements. We should note that presently audiology is without any outcomes measures on which to report, yet identification and treatment of hearing and balance disorders can significantly improve a patient’s ability to maintain their independence, directly impacting healthcare spending. Therefore, the resources devoted to measure development will be extremely beneficial to the audiology community and will assure professional participation in the program envisioned.

Audiologists are also currently not among the list of eligible providers who may qualify for the EHR incentive, thus EHR adoption among audiologists is not yet widespread and would prove to be a financial hardship for most independent practices. For these reasons, audiologists are at a disadvantage for meeting and qualifying for the EHR meaningful use criteria and we would request that this scoring category be removed from the formula applied to audiologists’ performance measurement.

### Performance Assessment

The model that is outlined in this section, which would determine reimbursement based on a composite scoring system and remain budget neutral by the imposition of incentives and penalties, appears to be the most logical and adequate means of accomplishing the

intent of the VBP model. We would like to reiterate our concerns regarding the components of this scoring model in which we feel audiology may be at an unfair disadvantage.

Given the relatively small composition of the profession of audiology (there are approximately 12,060 practicing audiologists in the United States<sup>1</sup>) we applaud the authors of the proposal for including virtual groups for use in benchmarking quality performance for professionals in practices of ten or fewer. We would also note that audiology does not currently have a nationally-recognized registry or related data reporting system and such a system will require time, expertise, and resources to be developed. Although we are presently exploring the feasibility of developing such a registry, implementation prior to 2014 presents a significant challenge.

#### Weights for Performance Categories

As referenced above, the model as proposed would preclude audiologists from reaching a 100% rating due to exclusion from the Meaningful Use program. The Resource Use metric will also prove difficult due to the Medicare requirement for beneficiaries to obtain a physician order prior to receiving audiology services. Lastly, the limited PQRS measures available to audiologists will present challenges to fulfilling the requirement.

#### Performance Pool Funding

The Academy agrees with the general policy that the entire funding pool per year would be paid out to eligible professionals based on their VBP composite score for a specified performance period, with those achieving the highest scores receiving the greatest incentive payment. It remains unclear, however, whether incentive payments ranging from 8 to 10 percent will be sufficient to offset the costs and resources needed by eligible professionals to participate in the program. This will be an important consideration for small audiology private practices operating with fewer staff and resources.

#### Assistance to Small Practices

We appreciate and support assistance for small practices located in Health Professional Shortage Areas (HPSAs), or rural areas, for efforts related to performance improvement as outlined in this section.

#### Feedback for Performance Improvement

As described in this portion, ongoing feedback with respect to one's performance compared to their peers would be most meaningful to providers. This would afford opportunities to modify behavior when appropriate and avoid excessive penalties. Ideally, if a national registry is developed, providers could constantly monitor their own individual performance relative to their peers while externally receiving feedback at regular intervals, perhaps quarterly.

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<sup>1</sup> U.S. Bureau of Labor Statistics, Occupational Employment and Wages (May 2012)

### **III. Encouraging Alternative Payment Model Participation**

Generally, audiologists will find it difficult to qualify for the APM options due to current restrictions within Medicare and private insurance. The Academy asks that all audiologists be treated with parity both across our profession, as well as with all other professions, in regard to assessment measures and scoring performance. This is particularly important in view of the “Transparency of Physician Medicare Data” component. As beneficiaries will use this data for selecting healthcare professionals, audiologists should not be unfairly penalized when being rated due to inapplicable metrics that are not inclusive of the profession of audiology.

Further, the Academy would be appreciative of clarification as to why non-Medicare revenues are heavily factored in the reimbursement equation for *Option 2*. Inclusion of private payer metrics appears counterintuitive to this proposal aimed at developing a quality measure-based Medicare system with the goal of improving patient outcomes.

### **IV. Encouraging Care Coordination for Individuals with Complex Chronic Care Needs**

While audiologists are not typically part of the complex chronic care management team as described in this section, the Academy asserts that in any future quality of care program, greater emphasis should be placed on the coordination of care that occurs between and among the various types of health care professionals who are responsible for the beneficiary’s treatment. Audiologists are point-of-entry hearing and balance healthcare providers who work synergistically alongside our physician, often otolaryngologist, colleagues to ensure patients receive the best care possible by the most qualified provider. The co-morbidity of hearing and balance disorders with chronic health conditions such as dementia, diabetes and cardiac conditions is high and therefore coordination of care with audiologists would provide the best outcomes for these patient populations.

### **V. Ensuring Accurate Valuation of Services Under the Physician Fee Schedule**

Audiologists have experienced cuts to reimbursement through the Medicare Fee Schedule for four consecutive years amounting, in some cases, to nearly 50% reductions in reimbursement. The impact of these cuts is unsustainable for our members. Therefore, the Academy supports setting a target for identifying and revaluing misvalued services. Over the past several years, the Academy has seen the usefulness of identifying and correcting certain misvalued services. However, without more information, it is difficult to provide feedback regarding mandated collection of additional information for determining the value of services under the physician fee schedule. Thus, we would request more detailed information about the data solicitation process outlined in this proposal.

Relatedly, while we recognize and appreciate the important role of the AMA/Specialty Society Relative Value Scale Update Committee (RUC) in making its valuation recommendations to CMS, we would support an objective analysis by the Government Accountability Office (GAO) of the Committee and its processes for making such recommendations.

#### **VI. Recognizing Appropriate Use Criteria**

Audiologists are not currently among the list of professionals who are qualified to order advanced imaging or electrocardiogram services under the Medicare program.

#### **VII. Expanding the Use of Medicare Data for Performance Improvement**

Additional information about the source(s) of this data would be appreciated but utilizing publicly available data to create reports to assist providers in quality improvement activities, as well as to qualified insurers and employers, appears reasonable.

#### **VIII. Transparency of Physician Medicare Data**

The Academy supports the publishing of Medicare data for purposes of assisting beneficiaries in selecting their healthcare providers as long as the published data is comprehensive of all practice settings, including small private practice offices. We also endorse the opportunity to review and correct the information prior to its posting on the website.

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The Academy supports the efforts by the members of the Senate Finance Committee and House Ways & Means Committee and the Committee staff to ensure high quality and efficient care through a transformation of the Medicare payment process and we appreciate the opportunity to offer input. Should you need clarification or further information on any of our comments, please contact Melissa Sinden, Senior Director of Government Relations at (202)544-9335 or by email at [msinden@audiology.org](mailto:msinden@audiology.org).

Sincerely,



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President, American Academy of Audiology