



October 31, 2022

The Honorable Ami Bera, M.D.
U.S. House of Representatives

The Honorable Larry Bucshon, M.D.
U.S. House of Representatives

The Honorable Kim Schrier, M.D.
U.S. House of Representatives

The Honorable Michael C. Burgess, M.D.
U.S. House of Representatives

The Honorable Earl Blumenauer
U.S. House of Representatives

The Honorable Brad R. Wenstrup, D.P.M.
U.S. House of Representatives

The Honorable Bradley Scott Schneider
U.S. House of Representatives

The Honorable Mariannette Miller-Meeks, M.D.
U.S. House of Representatives

Dear Members of Congress:

The American Academy of Audiology (Academy) appreciates the opportunity to respond to your request for feedback on actions Congress could take to stabilize the Medicare physician payment system, including reforming the current payment structure so it supports a system that provides greater value to patients and to clinicians. The Academy is the largest organization of, by, and for audiologists. We are dedicated to the provision of quality hearing and balance care services through professional development, education, research, and increased public awareness of hearing and balance disorders.

We recognize the significant effort to address the increasing cost to clinical practices to provide care without adequate inflationary updates and the new threat of annual cuts to the Medicare physician payment conversion factor due to the restraints of budget neutrality point to the need to re-evaluate the physician payment system, and, specifically, the Medicare Access and CHIP Reauthorization Act (MACRA). The COVID-19 pandemic also uncovered weaknesses in our nation's health care infrastructure and payment systems that have led to significant health care consolidation.

On behalf of its members and the patients they serve, the Academy is grateful for your outreach to health care providers, advocacy organizations and others for feedback on the current state of MACRA and associated payment mechanisms and ideas for reform. The Academy is pleased to provide its perspective on the following topics:

- Medicare Physician Payment
- Medicare's Quality Payment Program

MEDICARE PHYSICIAN PAYMENT

Inflationary Updates and Payment Adequacy

When MACRA was passed, it replaced the sustainable growth rate (SGR) formula and ended roughly 12 years of repeated congressional intervention to prevent Medicare physician payment cuts that were triggered by the SGR when overall provider costs exceeded target expenditures that were pegged to growth in the national economy.

In its place, MACRA was intended to create payment stability and provide incentives to providers for performing efficiently while delivering high-quality care. MACRA statutorily set modest Medicare physician payment updates, starting at 0.5 in 2015 through 2019, and 0 percent for 2020 through 2025. For 2026 and beyond, it is 0.75 percent for eligible alternative payment model (APM) participants and 0.25 percent for all others.

Over a 12-year period, during which the SGR was in effect, annual payment increases to providers averaged about 0.3 percent, while the cost of running a medical practice increased about 3 percent annually.¹ The fact is that healthcare providers are still paying for nearly two decades of insufficient payment updates. Taking inflation in practice costs into account, Medicare provider payment plunged 20 percent from 2001 to 2021.

A fundamental and critical step that Congress can take to create payment stability is to provide, beginning in 2023, a positive annual payment update that reflects inflation in practice costs. Because it will take time to secure a massive, badly needed overhaul of the Medicare physician payment system, immediate action is needed to stop harmful cuts that will take effect on Jan. 1, 2023 and to ensure future payment stability. The Academy urges Congress to take action before the end of this year to:

- stop the scheduled 4.42 percent budget neutrality cut to 2023 Medicare physician fee schedule payments;
- end the statutory annual freeze and provide a Medicare Economic Index update for 2023; and
- waive the 4 percent PAYGO sequester triggered by passage of the *American Rescue Plan Act*.

MEDICARE'S QUALITY PAYMENT PROGRAM

A goal of MACRA was to improve care for Medicare patients by shifting the payment system from volume to value. MACRA set up the Merit-based Incentive Payment System (MIPS) as a pathway to incentivize quality care.

The Academy supports the participation of audiologists in quality measurement reporting. We believe it is important to demonstrate quality care as the healthcare marketplace continues to underscore the importance of value. We support the inclusion of a designated specialty measures set for audiology and appreciate the options for participation in MIPS that take into consideration the unique care provided by audiologists to Medicare beneficiaries.

¹ Parke DW 2nd. The SGR Fix: Was It? Mo Med. 2015 Nov-Dec;112(6):408-9. PMID: 26821437; PMCID: PMC6168105.

The current Medicare regulatory definition places audiologists in the “Other Diagnostic Procedures” benefit classification (Section 1861(s)(3) of the Social Security Act), which is limited to the exclusive diagnostic-only areas of hearing and balance healthcare. There is no provision in Medicare law to pay audiologists for therapy services (Medicare Benefit Policy Manual chapter 15, section 80.3). Audiologists are not classified as “practitioners” as are other allied health professionals. Developing measures of quality and outcomes for this narrowly defined benefit classification, as well as participating in interdisciplinary measures that require outcomes or treatment management of the patient, is challenging within these regulatory confines.

It will be imperative that Congress allow audiologists to continue to participate in quality reporting through the traditional MIPS program pathway for the next several years, to allow time to better understand how audiology might be included under the MVP program.

Audiology is currently exempt from both the cost and promoting interoperability categories. These exemptions need to be maintained. Many audiologists have not fully adopted electronic health record (EHR) systems due to several factors, including cost, the applicability of such platforms to audiology practices (many platforms are physician-focused), and the fact that audiologists were never considered as eligible professionals in the Medicare EHR Incentive Program.

Allowing audiologists to maintain participation in traditional MIPS will give time for Audiology Quality Consortium (currently chaired by the Academy) and other hearing health stakeholders to meet again with the Agency to explore how the profession may be best represented in future quality performance initiatives and metrics. If CMS were to eliminate MIPS and transition entirely to MVPs and no MVPs were available to audiologists, it could have significant negative payment implications for audiologists who are required to participate in quality reporting. At this time, it remains unclear to us how this concern will be resolved before making the transition to MVPs.

Conclusion

Many of the problems and challenges outlined above cannot be addressed administratively and, therefore, require congressional action. We appreciate that reaching consensus on solutions to these problems will not be an easy task. However, there is consensus on actions that Congress can take immediately that will better allow MACRA to fulfill its purpose of increasing value in the U.S. health care system.

Should you have questions or require additional information, please contact Susan Pilch, JD, Senior Director of Government Relations, spilch@audiology.org.

Sincerely,



Virginia Ramachandran, AuD, PhD
President