Congress of the United States House of Representatives

Washington, DC 20515

June 22, 2020

The Honorable Seema Verma Administrator Centers for Medicare & Medicaid Services U.S. Department of Health and Human Services Hubert H. Humphrey Building, Room 445–G 200 Independence Avenue, SW Washington, DC 20201

Dear Administrator Verma:

It is critical to preserve access to care in the wake of the COVID-19 public health emergency and protect years of investments in alternative payment models (APMs). Therefore, we are writing to urge the Centers for Medicare & Medicaid Services (CMS) to maintain current reimbursement levels for hip and knee replacement surgery in 2021.

Physicians are facing unprecedented public health and economic challenges during the Novel Coronavirus outbreak. Hip and knee surgeons have been lending their medical services to the public health emergency response, but their practices have otherwise been shuttered pursuant to CMS recommendations to delay elective surgeries during the pandemic. That means tens of thousands of patients are left waiting for the surgeries that will restore them to a mobile life free from the pain of osteoarthritis. We are concerned that economic strain on physician practices, coupled with a backlog of surgeries and additional cuts to Medicare reimbursement, may have a deleterious effect on access to care.

We are also concerned that if cuts were proposed, it would send a message to physicians that high levels of participation in APMs will result in punitive compensation cuts for their services. Hip and knee surgeons participate in APMs at the highest rate of any subspecialty; however, the current RUC methodology does not capture the APM-incentivized patient preoptimization work that results in improved outcomes and lower costs. The American Association of Hip & Knee Surgeons (AAHKS) and American Academy of Orthopaedic Surgeons (AAOS) developed a study that would account for the time commitment needed for delivery of value-based patient care, and an independent survey of AAHKS members found that more than 98 percent of respondents are providing preoptimization.¹

CMS is in the pre-determination phase of a new global payment model for osteoarthritis which would incentivize patient care over the course of months or even years, raising additional questions about how the RUC's existing methodology would account for work under a future longitudinal model. We strongly urge CMS to accept the data provided by AAHKS and AAOS, which recognizes the valuable work in APMs, validates current funding levels, and supports the goal of increasing APM participation.

¹ Grosso, Matthew J. et al. (2020). Surgeons' Pre-Operative Work Burden Has Increased Before Total Joint Arthroplasty: A Survey of AAHKS Members. *The Journal of Arthroplasty*, 35(6), 1453-1457.

Hip and knee surgeons are already navigating extensive changes to how Medicare regulates and reimburses orthopedic surgery. In 2014, hip and knee surgeons received a 10 percent reduction in reimbursement. CMS made total knee replacement surgery available in the outpatient setting for the first time in 2018 and has just finalized a rule to allow for the procedure in Ambulatory Surgery Centers beginning this year. Medicare beneficiary total hip replacement surgery will also be covered in outpatient settings for the first time in 2020. Expected 2021 cuts to E&M codes would also hit hip and knee surgeons. Layering additional cuts on top of all these changes, particularly at this difficult time, would be highly disruptive.

We respectfully urge you to maintain current reimbursement levels for hip and knee replacement surgery to ensure access to care as we safely seek to re-open our economy. As physicians like hip and knee surgeons move into APMs, we must ensure that our legacy fee-for-service processes are reconciled with the reality that time and energy are required to deliver value-based care.

Thank you for your attention to our concerns and we look forward to working with you on this issue.

Sincerely,

Bron R. almong

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Hack M.D.

Andy Harris, M.D. Member of Congress

Mike Kelly Member of Congress

Brian Babin, D.D.S. Member of Congress

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CC: Demetrios Kouzoukas, Principal Deputy Administrator for Medicare and Director, Center for Medicare Gift Tee, Director, HAPG, Division of Practitioner Services Greg D'Angelo, Associate Director for Health Programs, Office of Management & Budget