

October 29, 2012

The Honorable Dave Camp  
Chairman  
Committee on Ways & Means  
United States House  
1102 Longworth House Office Building  
Washington, D.C. 20515

The Honorable Sander Levin  
Ranking Member  
Committee on Ways & Means  
United States House  
1106 Longworth House Office Building  
Washington, D.C. 20515

Dear Chairman Camp and Ranking Member Levin:

The undersigned organizations urge your opposition to proposed legislation, the Promoting Integrity in Medicare Act of 2011, to restrict the provision of ancillary services in medical practices through amendment of the physician self-referral (“Stark”) law. Our organizations seek to protect Medicare beneficiaries and taxpayers alike by providing high quality, ethical care in a setting that benefits the patient and facilitates care coordination. The net result of this legislation would be a negative impact on practices across the country, including some of the nation’s most well-respected healthcare institutions.

Ancillary services are a vital component of the diagnostic and treatment regimens utilized in many medical practices. The in-office ancillary services exception to the Stark law is used by physicians to provide patients with services for the prevention, early detection, diagnosis and treatment of diseases. Physicians and group practices relying on this exception must meet complex billing, supervision, and location requirements. Further restricting provision of these services beyond these detailed requirements would have a chilling effect on our nation’s care delivery system. In its June 2011 Report to Congress, even MedPAC recommended against limiting the Stark law exception for ancillary services, citing potential “unintended consequences, such as inhibiting the development of organizations that integrate and coordinate care within a physician practice.”

The proposed legislation would negatively affect the ability of physicians to coordinate and manage high quality care for their patients. The services affected by the proposal – advanced diagnostic imaging studies, radiation therapy services, anatomic pathology services, and physical therapy services - are essential tools, used on a daily basis by practices seeking to provide comprehensive services to their patients. If this proposal were enacted, patients would be forced to receive ancillary services in a new and unfamiliar setting, increasing inefficiencies, presenting significant barriers to appropriate screenings and treatments and thus making their health care less accessible. The attending physician would no longer be involved in the oversight of the affected services and care would be further fragmented at a time when there is widespread agreement that

improving the U.S. healthcare system will require more care coordination, not less. In addition, repealing the IOASE would result in care being shifted into more expensive settings, raising costs to Medicare beneficiaries and the program substantially.

The medical profession has taken significant steps to ensure that only medically necessary and appropriate ancillary services are performed. These steps include the development and implementation of training guidance, appropriate use criteria, practice guidelines, and decision support tools which assist physicians in delivering the most appropriate care. In addition, Congress and the Department of Health & Human Services have heavily regulated the provision of such services, through the Stark law and elsewhere.

We understand and appreciate the many pressures that Congress is under to curb federal spending – both mandatory and discretionary – but urge you to reject this short-sighted proposal.

Sincerely,

American Academy of Neurology  
American Academy of Ophthalmology  
American Academy of Otolaryngology—Head and Neck Surgery  
American Association of Neurological Surgeons  
American Association of Neuromuscular & Electrodiagnostic Medicine  
American Association of Orthopaedic Surgeons  
American College of Cardiology  
American College of Physicians  
American College of Surgeons  
American Gastroenterological Association  
American Medical Association  
American Medical Group Association  
American Osteopathic Association  
American Society of Echocardiography  
American Society of Neuroimaging  
American Society of Nuclear Cardiology  
American Urological Association  
Association of Black Cardiologists  
Cardiology Advocacy Alliance  
Congress of Neurological Surgeons  
Large Urology Group Practice Association  
Medical Group Management Association  
Renal Physicians Association  
Society for Cardiovascular Angiography and Interventions

cc: House Ways and Means Committee members