



March 23, 2018

Bill Cassidy, M.D.
520 Hart Senate Office Building
Washington, DC 20510

Michael F. Bennet
261 Russell Senate Office Building
Washington, DC 20510

Chuck Grassley
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Tom Carper
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Todd Young
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Claire McCaskill
503 Hart Senate Office Building
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Electronically submitted to transparency@cassidy.senate.gov

Dear Senators Cassidy, Bennet, Grassley, Carper, Young, and McCaskill:

On behalf of the more than 123,000 PAs (physician assistants) throughout the United States, the American Academy of PAs (AAPA) welcomes this opportunity to offer our comments to your bipartisan working group focusing on a healthcare price transparency initiative.

AAPA applauds efforts to increase transparency related to our healthcare system. Increasing healthcare transparency is a critical component to better understand how our healthcare dollars are spent and to empower consumers, payers and policy makers to make more informed decisions.

Price transparency is essential to stem the dramatic rise in our nation's healthcare costs. However, transparency, without a process to evaluate and ensure quality, will not lead to a high performing healthcare system. The combination of transparent pricing along with demonstrable improvements in quality will lead to the type of value-based healthcare that we all envision.

Bringing transparency to healthcare pricing for consumers will be challenging. Posting prices for stand-alone, distinct medical procedures and laboratory and diagnostic/imaging tests is more immediately attainable. Pricing for office visits, on the other hand, depends on the duration and intensity of the visit, and on how many issues (comorbidities) the patient needs to have addressed during that visit. Posting a single price for an office visit may not be feasible.

It should be noted that the “charge” for a healthcare service often depends on the contractual relationship that has been established between hospitals, health plans, insurers, and other stakeholders/vendors. A patient without insurance who is paying for a service out-of-pocket may have a different charge than a patient with insurance. And each patient with insurance may have a different charge depending on their insurance carrier. While this may complicate the posting of pricing information it should not deter the movement toward price transparency.

Explanation of Benefits

The current Explanation of Benefits (EOB) form that is sent to patients after they receive medical care makes it difficult to understand the charges, the contracted insurance company payments, and their financial responsibility (co-pays/deductibles). The EOB needs to be redesigned and written in a way to help patients better understand the payment structure surrounding their healthcare.

Effective Electronic Health Record (EHR) Systems

More effective EHR systems that are genuinely interoperable will reduce the number of repeated tests (lab, diagnostic) that occur due to a lack of provider access to existing patient information. When there is no requirement for EHR systems to “talk to one another” and appropriately share patient information, patient data remains in silos and tests are often repeated/re-performed causing waste and redundancy in healthcare.

In addition, EHR systems should be required to ensure that the health professional(s) who rendered care be identifiable throughout the care process and be a permanent part of that medical record. If health professionals, such as PAs, provide care and a physician reviews, augments or co-signs the medical record, the fact that a PA delivered care should not be deleted or hidden.

Provider Directories

Many health plans, third party payers and healthcare networks maintain provider directories aimed at informing consumers about the available health professionals and facilities where they can receive care. It is essential that consumers be made aware of all available options to be able to make informed choices. Provider directories should include not only physicians, but also PAs and other health professionals who are licensed to deliver healthcare services. Including PAs in provider directories is especially important in those communities where a PA is one of the few or the only health professional.

Transparency between Health Professionals

Under Medicare’s current claims processing system, care personally provided by PAs and nurse practitioners is often attributed to physicians through use of Medicare billing mechanisms such as “incident to.” PAs are essentially “hidden providers” when this occurs. This means any effort to collect data to make policy decisions is likely to capture data that is fundamentally flawed due to erroneous attribution. This has policy implications in instances such as the gathering of data for quality metrics and resource utilization under the Merit-based Incentive Payment System, which will ultimately affect provider reimbursement and quality ratings. The concern regarding the effect of “incident to” billing on value-based programs, such as the Quality Payment Program (QPP), has recently been echoed by the Health Affairs Blog in a January 8 posting.^[1]

Data that correctly identifies which health professional is responsible for providing each service supports previously stated CMS transparency goals and enhances accountability efforts. Examples of CMS’ preference for more precise information is the requirement that state Medicaid programs enroll health professionals such as PAs as, at minimum, ordering and referring providers, as well as CMMI’s intention to use data-driven insights in assessing the effectiveness of its value-based care models. These proposals were put forth by CMS to enhance care accountability. Meanwhile, CMS preferences for transparency can be seen as the agency makes Medicare utilization data public through programs such as Physician Compare.

Certain aspects of Medicare’s current payment system prevent patients, regulators, employers, and legislators from knowing which healthcare professional is accountable for a patient’s care. Data-driven decisions are dependent on accurate information that attributes the care provided to the health professional that actually rendered the service.

Many commercial payers have policies that are similar to the Medicare program. Our comments dealing with transparency, accountability and data accuracy apply equally to commercial third party payers.

AAPA appreciates your working group’s focus on improving healthcare transparency. Please contact Tate Heuer, Vice President for Federal Advocacy, at (571) 319-4338 or theuer@aapa.org with any questions.

Sincerely,



Tillie Fowler
Senior Vice President

^[1] <https://www.healthaffairs.org/doi/10.1377/hblog20180103.135358/full/>