Good Morning!

Today

- Outline today’s health care policy environment
- Provide overview of the CAP’s advocacy efforts at the federal and state levels
- Share updates on partnerships and collaborations
- Highlight CAP programs and services to stay on the forefront of pathology
- Spotlight ways to stay informed and engaged
- Answer your questions

Current Policy Threats…

- Revaluation of existing services targeted by CMS’s Misvalued Coding Initiative
- Payment penalties if pathologists are unable to comply with the new MIPS program
- LCDs encroaching on professional judgment
- Draft FDA LDT guidance
- State laws and regulation

CAP Now and Future Policy Agenda

- Protect the value of pathology services
- Ensure pathologists can adapt to the new value-based payment models
- Sustain a favorable laboratory regulatory environment
CAP Now and Future Policy Agenda

Protecting the value of pathology services

47% of pathology CPT codes targeted by CMS since 2006

Protecting the Value of Our Services

- Surgical pathology work RVUs (2008–present)
  - Averted 50% cut in work RVUs for 88305 and 88307
  - ~$210 million per year loss avoided
- 88305 practice expense RVU (2014–present)
  - ~$195 million per year loss avoided
- IHC G-code structure (2014–present)
  - Transition to CPT codes
  - ~$275 million per year gain

Proposed 2017 Medicare Physician Fee Schedule

- Proposed 2017 Medicare Physician Fee Schedule was released on July 7
  - CAP members received a STATLINE Alert with initial analysis of this proposed ruling
  - CAP webinar on July 14 reviewed the proposal (archive recording available at CAP.org)
- CAP will continue to engage with the Centers for Medicare & Medicaid Services (CMS)
  - Formal comments submitted on September 6

Proposed 2017 Medicare Physician Fee Schedule

- CMS proposed increases sought by the CAP for pathology services
  - Pathology add-on services
  - Microslide consultations
  - Prostate G-code
  - Tumor immunohistochemistry
- CMS proposed decreases to some services
  - Flow cytometry professional and technical component
  - Anatomic pathology technical component
Proposed Professional Component Payment for Pathology Add-on Services

• Due to the CAP’s advocacy, the CMS again increased the value of add-on services for immunohistochemistry, immunofluorescence studies, and in situ hybridization
  o This proposed policy change represents a $2.93 million increased payment to pathologists based on Medicare volume
  o $2.75 million of this impact is attributed to CPT code 88341

MACRA’s Impact on Pathologists

• Mandatory participation for physicians
  o Most will default to the Merit-based Incentive Payment System (MIPS)
  o MIPS measurement begins next year
  o Alternative Payment Models (APMs) not an option for most pathologists
• MACRA concerns: Administrative burden/cost, risk, one-size-fits-all approach

MACRA Implementation

• CMS proposed its MACRA regulation on April 27
  o CAP advocates to ensure:
    ▪ Value pathologists contribute to patient care is captured in the new program
    ▪ Pathologists can participate in new payment models
  o CAP submitted its formal comments on June 27

Category Weights for MIPS

Advocacy on MACRA for CAP Members

• Prevent pathologists from being unfairly penalized under MIPS rules:
  o MIPS categories must accommodate non-patient-facing clinicians
  o When categories don’t fit pathology practice, pathologists should receive a median score
  o Identify pathologists as non-patient-facing clinicians instead of using an arbitrary formula

Advocacy on MACRA for CAP Members

Going forward, the CAP is …

• Developing new quality measures
• Engaging with CMS on clinical practice improvement activities
• Evaluating APM opportunities for pathologists
Local Coverage Determination Clarification Act

- CAP’s Legislative Solution
  - Introduced in the House on July 11; Senate on September 22
  - Sponsored by Reps. Jenkins and Kind; Sens. Isakson and Carper
  - Pathologists asked lawmakers to support the bill during the Policy Meeting

Take Action: Send a message to ask your representatives to co-sponsor our LCD bill through PathNET

Local Coverage Determination Clarification Act

- Reforms would require:
  - Open meetings
  - Upfront disclosure of rationale and all evidence
  - Meaningful reconsideration and options for appeal
  - Prohibiting use of LCDs as backdoor to National Coverage Determinations

Congressional LDT Activities

- The CAP is actively engaged with Congress; however, release of FDA guidance likely prior to Congressional resolution
  - House: E&C Committee released a discussion draft
  - House: Appropriations Committee passed report language to deter the release of the FDA LDT guidance
  - Senate: HELP Committee passed its “Innovation Bill”; but it does not include any LDT language

CAP Recommendations to the FDA

The CAP recommended significant changes to the FDA draft LDT guidance, including:

- Removal of duplicative and unnecessary requirements for laboratories
- Changing its definition of an LDT
- Continued enforcement discretion for low risk tests
- Limiting the breadth of the high risk category so that it does not include all companion diagnostics

CAP State Advocacy Agenda

FSAC- and CGPA-approved State Legislative/Regulatory Issues:

- The CAP’s model ACO legislation (NJ, TN, and OH)
  - Signed by TN Gov. 4/28/2016
- Network adequacy
- Direct billing
- Scope of practice (laboratory professionals, pharmacists, genetic counselors, and PhDs)

CAP 2016 State Advocacy Initiatives

- Balance Billing legislation in multiple states
  - Tennessee: defeated
  - New Hampshire: defeated
  - Colorado: defeated
  - Florida: amended
  - Pennsylvania: pending in Senate committee
- There are indications that Arizona lawmakers will pursue this issue in 2017
Legislation on PT for Test Assays

- CAP, ASP sought legislation addressing PT for all test assays  
  - Blocked by Theranos in 2015
- Arizona Medical Society (AMS) could lead introduction of a bill in 2017  
  - AMS staff are supportive, will seek AMS Board approval

Get Involved: Strengthen Your Profession

- In order to strengthen the profession of pathology nationwide, the CAP partners with state pathology societies to bolster advocacy efforts at the state and federal levels.
- When working with elected officials, the number of members helps determine its influence.
- Joining the CAP and your state pathology society is the best way to enhance pathology’s influence.
- Email statepathsoc@cap.org for more information

Partnerships/Collaborations/Guidelines

Partnering to Advance the Specialty and Improve Patient Care

CAP Evidence-based Clinical Practice Guidelines

Two new GI-related guidelines scheduled to launch in October:
- ASCP/CAP/AMP/ASCO: Molecular Markers for Evaluation of Colorectal Cancer
- CAP/ASCP/ASCO: HER2 Sensitivity in Gastric Cancer
Later this year: CAP/ASH Algorithm for Initial Work-up of Acute Leukemia

ASCO/CAP/AMP Molecular Oncology Tumor Board Series: connection.asco.org
Membership Resources

CAP Membership—Reap Value at Every Level

- Membership of 18,000 pathologists
- Resources for new-in-practice pathologists
- Resources by and for practicing, seasoned pathologists
  - To remain current and relevant
  - To keep on the forefront of emerging areas of medicine
  - To stay engaged through the CAP

Resources Help Members Stay Current and Relevant

Cancer reporting tools:
CAP eFRM and CAP electronic Cancer Checklists
- Ease burden of staying current with the latest cancer protocol updates
- Help to ensure compliance to accreditation standards
- Provide information for “big data”
- Deliver confidence that your practice remains compliant with accreditation standards

CAP Education and Skills-Development Resources Prepare Members

Beyond annual meeting, the CAP offers more than 200 courses across 43 specialty and professional topic areas to help members:
- Stay up to date
- Learn new skills
- Meet MOC requirements
- Manage their business

CAP Resources in Emerging Areas of Medicine Keep Members on the Forefront

Genomics/Molecular Medicine Education and Resources
- Free webinars
- Pathology resource guides in precision medicine, digital pathology, in vivo microscopy, and clinical informatics
- SPECs (Short Presentations in Emerging Concepts) focused on molecular and IVM topics

Stay Informed Through the CAP

- Follow CAP on social media
  - Twitter @Pathologists
  - Facebook.com/capathologists
- Visit cap.org/advocacy
- Read STATLINE and Pathologist Insider
- Join PathNET, the CAP’s grassroots advocacy network
- Mark your calendar:
  - 2017 CAP Policy Meeting, April 24–26, Washington, DC
Stay Informed—Read CAP Annual Report

The 2015 CAP annual report details how the CAP is advancing the specialty of pathology.