

**Advancing and
Securing the Future of
Pathology**

Arizona Society of Pathologists
Fall 2016 Conference

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CAP Secretary- Treasurer October 1, 2016

Good Morning!



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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


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Health Care Policy and Advocacy

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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



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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

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CAP Now and Future Policy Agenda

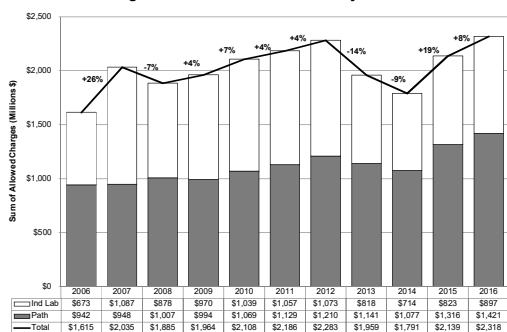
Protecting the value of pathology services

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47% of pathology CPT codes targeted by CMS since 2006

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Pathologists' Medicare Professional Payments 2006–2016



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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)**
 - ~\$195M per year loss avoided
- **IHC G-code structure (2014–present)**
 - Transition to CPT codes
 - ~\$275 million per year gain

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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

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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

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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**
 - This proposed policy change represents a \$2.93 million increased payment to pathologists based on Medicare volume
 - \$2.75 million of this impact is attributed to CPT code 88341



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MACRA's Impact on Pathologists

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



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MACRA Implementation

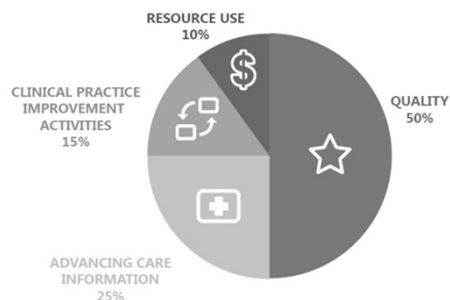
- **CMS proposed its MACRA regulation on April 27**
 - CAP advocates to ensure:
 - Value pathologists contribute to patient care is captured in the new program
 - Pathologists can participate in new payment models
 - CAP submitted its formal comments on June 27



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Category Weights for MIPS



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Advocacy on MACRA for CAP Members

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



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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**



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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



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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



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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



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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



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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)



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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



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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**
- Pathologists can take the lead by implementing CAP guidelines at their institutions and participating in open comment periods.*
- Visit cap.org CAP Reference Resources and Publications > CAP Guidelines*

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



Membership Resources

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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



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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**



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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**



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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**



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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**



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Stay Informed—Read CAP Annual Report

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



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