Preserving Our Patients’ Access to Care: Protect Cognitive Care in Payment Reform

Background

The Medicare sustainable growth rate (SGR) formula has failed to meet its goals as first conceived. Setting expenditure caps has not been effective in controlling Medicare spending. While everyone can agree on that point, only recently has the prospect of passing real reform seemed possible. The new lower score for SGR repeal from the Congressional Budget Office (CBO) renews the urgency to permanently reform this broken payment model.

The AAN supports the recommendations from the National Commission on Physician Payment Reform¹, which call for the transition to new payment models and the integration of a blended payment system that would reward physicians for value instead of volume. Specifically, the AAN agrees with the Commission’s recommendation highlighting the importance of fair reimbursement for evaluation and management (E/M) services, also known as face-to-face care or cognitive care, for medical specialties like neurology. The report states:

While the discussion about reimbursement has generally focused on services performed by primary care physicians, the commission believes that the real issue is not one of relative payment of specialists versus primary care physicians but, rather, of payment for E&M services as contrasted with procedural services. These include E&M services provided by, among others, cardiologists, endocrinologists, hematologists, infectious disease specialists, neurologists, psychiatrists, and rheumatologists.

Given the anticipated increase in individuals with neurologic disease over the next two decades, it is critical to reform Medicare payment in a way to ensure that the neurology workforce is able to meet the increasing demand for neurologic care. It takes significant time and skill to provide ongoing cognitive care to manage complex chronic conditions for people with neurologic diseases like ALS, Alzheimer’s, multiple sclerosis, epilepsy, traumatic brain injury, Parkinson’s disease, headache, and stroke. These diseases often represent the highest-need, highest-cost Medicare beneficiaries.

• Each year, neurologic disorders strike an estimated 50 million Americans and cost hundreds of billions of dollars in medical expenses and lost productivity.

• Due to the aging baby boom population, by 2025 the demand for neurologic services will grow by 63 percent for people age 65-74 and by 47 percent for people age 75 and older.

• However, there will be 19 percent fewer neurologists than will be needed by our aging population by 2025.

• The majority of neurologists see their Medicare patients on an ongoing basis, not as a one-time consultation or referral.

• Access to neurologists is declining. Each year, patients have to wait longer to see a neurologist. Over the last two years, there was a 40 percent increase in wait time for a new appointment with a neurologist.

The Issue

Many neurology practices are currently struggling. On January 1, 2013, the Centers for Medicare & Medicaid Services (CMS) implemented severe cuts to important diagnostic procedures—nerve conduction and electromyography studies—performed by neurologists to diagnose ALS, Guillain-Barré syndrome, neuropathies, and carpel tunnel. These cuts will translate into an overall 7 percent payment reduction for neurologists in 2013. Neurologists now face two simultaneous obstacles: cuts to the limited number of procedures they do perform on top of inadequate reimbursement for E/M services.
Consequences

Continuation of current policies that undervalue cognitive care services will irreparably damage the neurology workforce and result in fewer patients having access to neurologists with the appropriate training to provide high-quality patient-centered neurologic care.

Legislative Solutions

The AAN fully supports efforts to identify a new physician payment system and urges Congress to take advantage of the lower CBO score to take swift action. Recommendations like those from the National Commission on Physician Payment Reform and legislation like the Medicare Physician Payment Innovation Act (HR 574) by Reps. Allyson Schwartz (D-PA) and Joe Heck, MD (R-NV) offer potential solutions that eliminate the SGR while improving the practice climate for cognitive care providers.

As such payment reforms are debated, please consider the needs of Medicare beneficiaries with complex chronic and acute conditions that require medical expertise beyond primary care and support efforts to realign payments in a meaningful way:

- Recognize the critical role of cognitive care by more appropriately valuing E/M services
- Support incentives for essential services such as cognitive care
- Oppose proposals that rely on specialty designation to assign differential payment rates


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