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The Honorable Seema Verma
Administrator
Centers for Medicare & Medicaid Services
U.S. Department of Health and Human Services
Hubert H. Humphrey Building, Room 445–G
200 Independence Avenue, SW
Washington, DC 20201

Dear Administrator Verma:

On behalf of our physician and medical student members, the American Medical Association (AMA) urges the Centers for Medicare & Medicaid Services (CMS) to remove the Total Per Capita Cost (TPCC) measure from the Merit-based Incentive Payment System (MIPS)—at least until significant issues with the measure are resolved, including further validity testing, improved attribution methodology, increased reliability, and the ability for physicians to review their data in a timely manner and make changes based on the data received. We are happy to work with you and your colleagues in CMS to improve the TPCC measure.

We continue to believe that appropriately designed episode-based cost measures have the potential to measure costs more accurately than the TPCC measure. Specifically, episode-based cost measures are more actionable, particularly when paired with relevant quality measures, and could assist physicians in driving improvements in outcomes, such as preventing acute exacerbations that lead to emergency visits and hospital admissions. Conversely, the TPCC risks holding physicians accountable for patients' medical conditions that are managed outside of their organization, or costs they cannot influence like drug prices. We greatly appreciate the time and effort that CMS and Acumen, LLC have invested in creating a process that allows for significant clinical input in episode-based cost measure development and refinement.

The TPCC measure was carried over from the obsolete Value-based Payment Modifier program, and did not receive endorsement by the National Quality Forum (NQF) in 2013 for use in physician cost measurement. Problems with the measure identified by NQF and others were linked to validity, particularly around the measure's attribution approach. Moreover, the measure holds physicians responsible for total Medicare Part A and B expenditures, including costs over which the physician has no control. In recognition of the issues with the existing TPCC measure, CMS recently pursued revisions to the measure's attribution methodology and measurement period, among other changes.

At a time when cost measurement is an immature science, the AMA appreciates CMS' willingness to revisit and refine existing cost measures. We believe, however, that the revisions to the TPCC measure do not address underlying concerns about the measure's validity and raise new problems with the attribution methodology. The revised TPCC measure retains the flawed concept of holding physicians responsible for total costs of care even for services delivered after the patient was no longer in their care and assumes

that data regarding services provided by other physicians is readily available and therefore actionable by the attributed physician. Few physicians will understand how the revised TPCC are designed and even those who do will not be able to track a patient and make value-enhancing changes in their care because the new attribution system relies on a lengthy list of services, including services provided to the patient by a separate physician practice. The revisions to the measure also increased the risk of inappropriate attributions. For example, while certain specialists who provide specific types of services (e.g., chemotherapy, radiation therapy, surgery, and anesthesia) would be exempt, a practice comprised of exempt specialists might still be subject to the measure if a physician assistant or nurse practitioner provides an office visit and has the beneficiary attributed to them as a result.

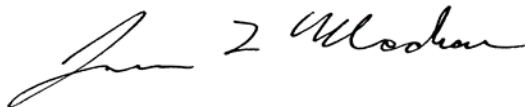
In January, the multi-stakeholder NQF Measure Applications Partnership (MAP) Coordinating Committee, which provides input to HHS on measures for use in performance-based payment and public reporting, gave the revised TPCC a recommendation of “Do not support the revised TPCC measure with the potential for mitigation” for use in MIPS. The MAP raised concerns about the lack of publicly available information on the measure’s validity testing, the issue of small numbers swaying measurement at the physician level and leading to questions on the reliability of the performance scores, and the need to avoid double counting of physician costs in TPCC and the episode-based cost measures.

We are deeply concerned that CMS may move forward with the revised TPCC measure despite the recommendation of the MAP Coordinating Committee, which provides one of very few opportunities for an independent evaluation of the appropriateness of a measure for performance-based payment programs. We strongly believe downplaying the MAP’s recommendation or moving forward before resolving the key issues raised by the MAP sets a bad precedent and may discourage physician and stakeholder engagement in cost measure development.

We urge CMS to score physicians on episode-based cost measures that have a stronger correlation with costs that are within physicians’ control and to remove the TPCC measure from MIPS at least until significant issues with the measure are resolved.

We appreciate your attention to this matter. If you have any questions, please contact Margaret Garikes, Vice President, Federal Affairs at margaret.garikes@ama-assn.org or 202-789-7409.

Sincerely,

A handwritten signature in black ink, appearing to read "James L. Madara". The signature is fluid and cursive, with a large initial "J" and "M".

James L. Madara, MD