

**PRACTICING PHYSICIANS ADVISORY COUNCIL
RECOMMENDATIONS – December 5, 2005 MEETING
To Be Reported During March 6, 2006 Meeting**

CMS Requests

| <u>Recommendations</u> | <u>Respondent</u> | <u>CMS Response</u> |
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| Agenda Item C: Update of PPAC Recommendations | | |
| <p><u>Agenda Item C: Update of PPAC Recommendations</u></p> <p>54-C-1: The Council recommends that CMS work with the National Institutes of Health and other entities that do clinical trials to determine fair reimbursement rates for data collection, whether or not information technology is involved.</p> <p>54-C-2: The Council recommends that CMS and the Secretary of the Department of Health and Human Services actively support an increase in the Physician Fee Schedule conversion factor for 2006.</p> <p>54-C-3: The Council recommends that CMS encourage the Office of the Inspector General to continue counting patient assistance programs as part of the patients' true out-of-pocket expenses.</p> <p>54-C-4: The Council recommends that CMS require Part D carriers to have a simplified, uniform form for appeals on behalf of beneficiaries who need drugs that are not on the approved formulary.</p> | <p>Kenneth Simon, M.D., M.B.A. Executive Director Practicing Physicians Advisory Committee</p> | |

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| <p><u>Agenda Item D: PRIT Update</u></p> <p>54-D-1: The Council recommends that the CMS Administrator, Dr. Mark McClellan, provide a prompt and positive answer as to whether continuing medical education can be funded or provided by local hospitals for the medical community</p> | <p>William Rogers, M.D. Director, Physicians Regulatory Issues Team, Office of Public Affairs, Centers for Medicare and Medicaid Services</p> | |

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| <p><u>Agenda Item F: Physician Voluntary Reporting Program and Standards</u></p> <p>54-F-1: The Council recognizes that the Physician Voluntary Reporting Program will require additional physician office staff, training on the use of G codes, reconfiguration of computer programs, and increased costs to physician practices. Therefore, PPAC recommends that any effort to implement quality measures and reporting must come after physician payment reform is enacted and current regulatory and administrative demands are reduced. Otherwise, efforts to improve care will be impeded. The Council recommends that instead of implementing the current Physician Voluntary Reporting Program demonstration project, CMS work with each physician specialty group to determine appropriate, scientifically valid, quality measures, adjusting for illness, severity of condition, socioeconomic factors, patient compliance, and comanagement of patients. Further, as with the Hospital Voluntary Reporting Initiative, PPAC recommends that CMS reimburse physicians for data collection.</p> <p>54-F-2: The Council recommends that CMS request input from appropriate specialty organizations with an interest in the issues already included in the proposed pilot program. In addition, as with the Hospital Voluntary Reporting Initiative, PPAC recommends that CMS reimburse physicians for data collection.</p> <p>54-F-3: The Council recommends that CMS work in conjunction with developers and certifiers of electronic medical records to develop software that facilitates the collection of data that CMS would like to gather for quality assessment purposes.</p> <p>.</p> | <p>Trent Haywood, M.D., J.D., Acting Deputy Chief Medical Officer, Office of Clinical Standards and Quality</p> <p>Michael Rapp, M.D., J.D., Director, Quality Measurement and Health Assessment Group, Office of Clinical Standards and Quality</p> | |

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| <p><u>Agenda Item H: Physician Fee Schedule</u></p> <p>54-H-1: The Council recommends that CMS change the methodology for measuring practice expenses to one based on measurable data rather than assumptions.</p> <p>54-H-2: Given that the Physician Fee Schedule Final Rule indicates that the statute gives the Secretary the authority to specify the services in the Sustainable Growth Rate (SGR) calculation, PPAC recommends that the Secretary use all means available to avoid future decreases in the conversion factor, including but not limited to removing drugs from the SGR calculation, adding new money to the system for good measurements of practice expenses, identifying both the immediate and subsequent costs that result from adding new screening benefits, and working with Congress to create a system in which money for services provided under Part B be shifted from Part A to Part B when appropriate.</p> <p>54-H-3: The Council recommends that CMS actuaries</p> | <p>Terrence Kay, Deputy Director, Hospital and Ambulatory Policy Group, Center for Medicare Management</p> <p>Peter Bach, M.D., Senior Policy Advisor To The Administrator, Medicare and Medicaid Services</p> | |

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| <p><u>Agenda Item K: Recovery Audit Contractors (RACs)--Update</u></p> <p>54-K-1: The Council recommends that a representative of CMS and the corresponding RAC meet with the carrier medical director in each of the three states in the demonstration project.</p> <p>54-K-2: The Council thanks CMS for having the RACs recognize the issue of underpayment and recommends CMS find an incentive for RACS to identify underpayments. Further, CMS should reimburse physicians when underpayment is identified.</p> <p>L. Other:</p> <p>54-L-1: The Council recommends that Dr. Barbara McAneny be reinstated for a second term on PPAC.</p> <p>54-L-2: The Council recommends that CMS allow electronic resubmission of claims denied as a result of minor mistakes. The Council requests that representatives of PRIT evaluate the issue and present their findings at the next PPAC meeting.</p> | <p>Gerald Walters, Director, Financial Services Group</p> <p>Melanie Combs, Senior Technical Advisor, Division of Analysis and Evaluation</p> | |

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