January 16, 2018

Craig Samitt, MD
Executive Vice President and Chief Clinical Officer
Anthem, Inc.
120 Monument Circle
Indianapolis, IN 46204

Dear Dr. Samitt:

The undersigned national medical specialty societies and patient advocacy organizations write to express deep concerns about a combination of forthcoming and recently enacted policies from Anthem Blue Cross Blue Shield (Anthem). More specifically, our organizations strongly oppose the recent implementation of an aggressive site of service denial policy for advanced imaging services administered in the hospital outpatient department, as well as coverage denials for services provided to beneficiaries for retroactively determined "non-emergent" health care services in the Emergency Department. We also urge Anthem to halt implementation of substantial reimbursement cuts slated for Evaluation and Management (E/M) Services billed using the Modifier 25, effective as early as March 1st. On behalf of the hundreds of thousands of physicians we represent and the millions of patients that we diagnose, treat, and advocate for on a daily basis, we urge Anthem to rescind these harmful policies.

Although appreciative that Anthem has met with some of the undersigned national medical specialty societies regarding these payment policies, our collective concerns remain unresolved. Failure to rescind these policies could jeopardize patient care and, furthermore, these new policies could serve to undermine a relationship between Anthem and a broad array of the physicians who treat your beneficiaries.

A brief synopsis of these policies in question is as follows:

> *Outpatient Advanced Imaging Site of Service Denial Policy* - With a fluid list of medical exceptions, Anthem will largely deny advanced imaging performed in the hospital outpatient setting. This policy disrupts ordering physicians' relationships with radiology practices, dramatically reduces patients' options as to where to have their imaging studies performed and removes radiology from the continuum of patients' care by carving out these life-saving services as a commodity, going to the lowest cost provider. Although incentivizing beneficiaries into specific care settings has been an ongoing practice by private payers for many years, Anthem's decision to unilaterally eliminate an entire site of service outside of any contract negotiation cycle defining "in-network" providers is unprecedented.
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> Anthem also recently initiated retrospective "pre-payment" reviews of Computed Tomography (CTs) and Magnetic Resonance Imaging (MRIs) administered in the Emergency Department. If these services are retroactively deemed for non-emergent conditions, possibly decided based on the result of the imaging examination, Anthem will deny payment. This aggressive program will undoubtedly place unseemly dampening pressure on Emergency Department physicians to avoid using CTs and MRIs, despite the fact that these modalities are widely regarded as critical to an expedited determination as to whether a patient is in an emergent situation.
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> *Retroactive Coverage Denials for "Non-Emergent" Services Administered in the Emergency Department* - In a move designed to curb unnecessary visits for non-emergent conditions, Anthem is aggressively reviewing *all* services administered in the Emergency Department in

select states. If the retrospective reviews of common procedures or services traditionally delivered in the Emergency Department yield clinical diagnoses that Anthem deems to not be a truly emergent situation, the insurer will deny coverage and force the patient, rather than a physician or hospital, to cover the expenses associated with the care. In addition to shifting the responsibility for determining the difference between an emergent or non-emergent situation to the patient before any clinical evaluation, the Anthem Emergency Department coverage denial policy is very likely a violation of federal patient protection laws, specifically the "prudent layperson" standard.

Modifier 25 - Anthem plans to reduce physicians' reimbursement when they bill for a procedure *and* an E/M visit on the same day. Use of the Modifier 25 on the claim signifies that a single physician performs two individual services during a single encounter, on the same day and, as a result, should receive full reimbursement for both activities. Anthem, however, will ignore the commonly accepted valuation process and, rather than providing full payment for both services, will reduce reimbursement for the E/M procedure by 25 percent effective March 1, 2018.

Furthermore, it is our understanding that, effective Quarter Four 2017, Anthem began conducting post-service reviews of claims billed with Modifier 25 in many of the states it offers plans. Providers deemed as outliers will be contacted for additional medical documentation related to the services and, if a billing discrepancy is identified, Anthem will require reimbursement recoupments, "as appropriate."

The challenges facing all aspects of the American health care system are real and daunting. Our respective physician societies and patient advocacy organizations appreciate the tremendous pressures facing health insurers to keep premiums, especially within the individual market, affordable for beneficiaries.

National medical specialty societies and patient advocacy organizations desire to be partners in the effort to improve health care outcomes and control costs and the undersigned organizations remain disappointed that Anthem is moving forward to implement these payment changes. Most troubling is the fact that Anthem finalized these changes despite mounting evidence that the justification for the policies is flawed and would hinder patients' access to physician care.

Given that the combination of these policies will affect numerous medical specialties and countless patients with varying clinical conditions, our concerns are shared by numerous other medical societies on the state and national level. **We urge Anthem to rescind these policies and consider engaging the provider community in a concerted, serious dialogue on how to best deliver medical care in a cost effective and efficient manner.** The undersigned organizations are eager to have this conversation with you and we hope you take our request seriously. These three issues remain important priorities for our respective organizations and we will continue to work collectively to accomplish a mutually agreeable solution that addresses our concerns.

We appreciate the opportunity to raise our collective concerns. Should you have additional questions or would like to initiate a new round of dialogue surrounding these policies, please do not hesitate to contact Cynthia Moran (cmoran@acr.org; 202-223-1670), Executive Vice President, Government Relations, Economics, and Health Policy, American College of Radiology, Laura Wooster(lwooster@acep.org; 202-370-9298), Associate Executive Director, Public Affairs American College of Emergency Physicians, David Brewster (dbrewster@aad.org; 202-609-6334), Assistant Director, Practice Advocacy, American Academy of Dermatology Association, Lauren Foe (lfoe@facs.org; 202-672-1524), Regulatory Associate, American College of Surgeons, Angela Criswell (acriswell@lungcanceralliance.org;502-682-7745), Senior Manager of Medical Outreach, Lung Cancer Alliance, Jessica Adams

(Jessica.Adams@astro.org; 703-839-7396), Health Policy Analyst, American Society for Radiation Oncology, Katie Duensing, J.D. (Kduensing@integrativepain.org; 209-425-0468), Director of Legislative and Regulatory Affairs, Academy of Integrative Pain Management, Shweta Trivedi, RHIA (strivedi@spine.org; 603-230-3673), Director of Health Policy, North American Spine Society or Trisha Crishock (trishacrishock@gmail.com; 703-934-8272), Society of Interventional Radiology/Society for Vascular Surgery/American Rhinologic Society.

Sincerely,

Academy of Integrative Pain Management
American Academy of Dermatology Association
American College of Emergency Physicians
American College of Radiology
American College of Surgeons
American Rhinologic Society
American Society for Radiation Oncology
Lung Cancer Alliance
North American Spine Society
Society of Interventional Radiology
Society for Vascular Surgery