



# Wisconsin Society of Pathologists

---

563 Carter Court  
Suite B  
Kimberly, WI 54136  
920-560-5634

Hon. Mark V. Afable  
Office of the Commissioner of Insurance  
125 South Webster Street  
Madison, WI 53703-3474

Re: Anthem Access Concerns

Dear Commissioner Afable

On behalf of the members of the Wisconsin Society of Pathologists (WSP), I am writing you to express serious concern regarding announced changes to the Anthem fee schedule for pathology services. Specifically, we have concerns regarding the magnitude of the rate cuts, the rationale for the rate cuts, and the notification and response process.

Through conversations with members, as well as publicly available information, WSP understands the new fee schedules represent a substantial reduction from prior levels, in many cases representing 50%-70% rate cuts compared to 2018. In addition, pathology practices contacting Anthem have been told these rate cuts are non-negotiable. Given the magnitude of the proposed cuts and unwillingness of Anthem to negotiate, the ability of pathology practices to sustain high-quality services will erode. Pathology practices impacted by these cuts face the very difficult decision about terminating their contract with Anthem. Contract termination will result in out-of-network care for Anthem patients subsequently raising serious concerns about a patient's ability to access healthcare services. Wisconsin pathologists believe Wisconsin patients deserve access to the critical skills provided by pathologists, including cancer diagnoses, disease management, and laboratory oversight.

We understand this rate cut strategy impacts multiple states in 2019 in addition to Wisconsin including California, Georgia, Indiana, Ohio, Kentucky, Virginia, and West Virginia. The context, reasons, and methodologies for the fee schedule changes are not clear. We have heard Anthem indicate the changes are necessary to remedy disparity across parts of the network and rebalance rates regardless of setting. However, other explanations indicate the changes may be tied to increases in Evaluation and Management codes or that the rates are meant to mirror those paid to large national laboratories, which would not be sustainable for smaller pathology practices. In sum, Anthem has not provided a clear and formal explanation of the changes and the current valuation of pathology services, as well as additional guidance and resources on exactly who is impacted by this change and where pathologists can go with concerns or questions.

Related to notification, we have concerns with the process, lack of transparency, and inconsistent communication. Some Wisconsin pathologists received notification in the Spring of 2019 indicating Anthem would publish fee schedule changes after July 1, 2019. Instead of sending a hard copy of the fee schedule, Anthem stated they would make it available via an online portal. Members have had difficulty accessing information through this portal and in some cases, specific CPT codes were not available. Despite multiple telephone conversations with Anthem, rates for these CPT codes were still not made available. Providers need clear and timely access to the full fee schedule and adequate time to assess the changes. At least one practice incurred severe rate cuts in October, 2018 without any prior notification from Anthem. To date, other pathology practices are still not entirely sure whether their practices will or will not be impacted by the rate cuts that Anthem announced in the Spring of 2019. In another case, a pathology practice has one written communication from Anthem indicating the rate

cuts will occur on August 1, 2019 and separate electronic notification indicating the cuts will occur on October 1, 2019. Overall, communication from Anthem has not been clear, comprehensive, or consistent.

In summary, WSP members are extremely concerned about the severity of the proposed Anthem rate cuts, without opportunity for negotiation, which will likely lead to out of network care impacting patient healthcare access. In addition, Anthem has not provided consistent explanations about the reasons for the rate cuts and the notification process lacks transparency, clarity, and consistency.

On behalf of Wisconsin pathologists and their patients, we appreciate the consideration of these comments. Should you need additional information or would like to discuss the matter, please do not hesitate to contact us.

Respectfully Submitted,

Chris Kinonen, MD, MBA  
President, Wisconsin Society of Pathologists