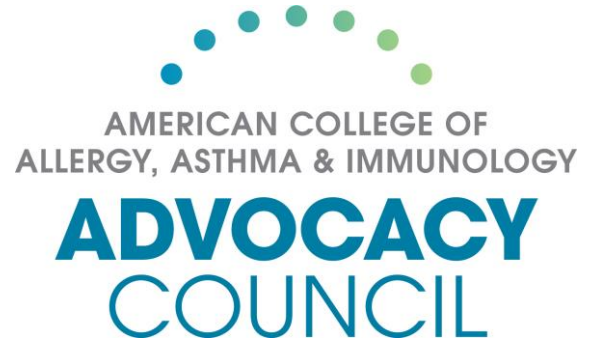




American
College
of Allergy, Asthma
& Immunology



September 20, 2023

Hon. Jason Smith
Chair
House Committee on Ways and Means
1139 Longworth House Office Building
Washington, DC 20515

Hon. Richard Neal
Ranking Member
House Committee on Ways and Means
1102 Longworth House Office Building
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Hon. Cathy McMorris Rodgers
Chair
House Committee on Energy and Commerce
2125 Rayburn House Office Building
Washington, DC 20515

Hon. Frank Pallone
Ranking Member
House Committee on Energy and Commerce
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Washington, DC 20515

Hon. Virginia Foxx
Chair
House Committee on Education and the
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2176 Rayburn House Office Building
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Hon. Bobby Scott
Chair
House Committee on Education and the
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2101 Rayburn House Office Building
Washington, DC 20515

The American College of Allergy, Asthma and Immunology (ACAAI) Advocacy Council is pleased to share our views with your Committees on the Lower Cost More Transparency (LCMT) Act.

ACAAI represents more than 6,000 board-certified allergists and healthcare professionals. Allergists specialize in treating both adult and pediatric patients with chronic conditions such as asthma, food allergies, hives or urticaria, stinging insect hypersensitivity, sinus problems, allergic rhinitis, anaphylaxis, immune deficiencies, and atopic dermatitis or eczema, among other conditions.

THCGME Funding

The Advocacy Council supports the Teaching Health Center Graduate Medical Education (THCGME) funding provision in the LCMT Act. The bill would extend the THCGME Program through FY 2030 with a \$1.6 billion funding increase over this period.

This funding authorization would support the training of more primary care providers in rural and underserved areas. However, these areas also experience shortages of specialists such as allergists. Many allergists begin their medical training in internal medicine before completing a two-year fellowship in allergy and immunology and sitting for a Board exam. In addition to

increasing primary care physicians in these areas, some of the physicians supported by THCGME funding could choose to continue their training in allergy/immunology.

We support all physician training programs but encourage the Committees to also support legislation that authorizes increased funding for Medicare Graduate Medical Education (GME) which supports the training of specialists such as allergists. We also endorsed H.R.2761, the Specialty Physicians Advancing Rural Care (SPARC) Act which incentivizes specialists to practice in underserved areas.

While it is essential to increase primary care in underserved areas, it is also important to remember that primary care providers often refer patients to specialists such as allergists. Therefore, Congress should take a wholistic approach to increasing the physician workforce to ensure that increased access to care afforded through more primary care physicians does not lead to downstream access issues due to insufficient specialists in that same area.

Price Transparency and Other Administrative Burdens

The fact is that it is growing more and more difficult for physicians of all specialties to practice medicine and serve patients in their communities. Physicians face huge financial pressures from record inflation while incurring many unfunded mandates from government regulations and reimbursement rates from commercial and government payers that do not keep pace with our increased costs. We strongly support H.R. 2474 which would help address this issue by providing an annual MEI adjustment to the Medicare Physician Fee Schedule (PFS) Conversion Factor (CF).

We believe certain provisions of the LCMT Act could exacerbate the administrative burdens practices face. We understand that improving price transparency for patients is an important priority for the Committees. However, proposals to shift the onus for this transparency onto physician practices will cause huge administrative challenges. Several provisions in the LCMT Act require certain healthcare facilities to provide their cash price and the highest and lowest commercial insurance rate they receive. While this policy would not apply to physician practices, we worry that Congress will attempt to expand this to physician practices in the future.

Additionally, this policy is redundant with the Transparency in Coverage final rule which requires health insurers to publish their negotiated rates with all in-network providers. We feel it is unnecessary for physician practices to report this information that health insurers are already reporting to CMS. Additionally, the No Surprises Act (NSA) good faith estimate (GFE) and Advanced Explanation of Benefit (AEOB) provisions already will provide patients with a version of this information that is specifically tailored to their coverage.

We are pleased to see the LCMT Act include a section requiring a report on the impact of Medicare regulations on provider and payer consolidation. However, certain provisions in the LCMT Act will increase burdens on physician practices that further incentivize consolidation.

We agree with the Committees that there should be parity between drug administration services provided in the hospital setting and the physician office setting. We support the bill's provision that would require such parity.

Pharmacy Benefit Manager (PBM) Reform

The ACAAI Advocacy Council supports the LCMT Act's provisions to reform the role PBMs play in the healthcare system. We agree with the Committees that PBMs create higher prices for patients while generating enormous profits for themselves. We agree that more transparency is needed regarding PBM relationships with manufacturers and how savings are (or are not) being passed on to health plans and patients. We also agree that Congress should prohibit "spread pricing" and other ways that PBMs avoid passing savings on to patients.

Conclusion

We appreciate your consideration of our views on this important legislation. Please contact Matt Reiter (reiterm@capitolassociates.com) if you wish to discuss our suggestions in greater detail.

Sincerely,



Kathleen R. May, MD
President, ACAAI



Warner W. Carr, MD
Chair, Advocacy Council of ACAAI