

Stephen Friedhoff, MD
Chief Clinical Officer
Anthem, Inc.
120 Monument Circle
Indianapolis, IN 46204

Date:

Dear Dr. Friedhoff,

Our dermatopathology colleagues have made us aware of the impending Anthem BC/BS of Ohio reimbursement cuts, which are scheduled to take effect October 2019.

As a practicing dermatologist and member of the Ohio Dermatological Association, I would like to make you aware that patient biopsies are more than “ancillary” tests, which produce a result without physician input (blood count, and similar tests). It is often said that a dermatologist is as good as their dermatopathologist. Skin biopsy interpretations require expertise, which is non-mechanized, and must corroborate findings with those I see on examination of my patients.

Your senior administrators’ statements that this “rate alignment” is backed by data is derived from data that is seriously flawed and invalid. For CPT codes to be valued, the American Medical Association, Relative Value Scale Update Committee (RUC) and individual specialty societies perform in depth technical valuation to come up with a CPT code value. Such a process is transparent, and it is not done behind closed doors as Anthem has done.

We understand that the contracts that Anthem have with individual dermatopathologists and dermatopathology labs are private. However, as George Hruza, president of the American Academy of Dermatology Association (AADA), puts it “The AADA is also concerned that the steep reduction in reimbursement rates, without justification, could be considered a violation of the good faith and fair dealing covenants requirements in these contracts.”

If the cuts you plan go through, they will redirect skin biopsies to large clearing house laboratories, disrupt collaborative networks and jeopardize the quality of care delivered to your “subscribers”, our patients. The downstream effects will be long range: they will impact quality of care and the very existence of dermatopathology into the future.

We urge you, due to the aforementioned reasons, to rescind your decision for reimbursement cuts for dermatopathologists.

Sincerely,

Member of the Ohio Dermatological Association