July 11, 2017

Dear Senator:

As leading organizations representing the interests of patients, providers and manufacturers, we write to ask that you cosponsor S.794, the *Local Coverage Determination Clarification Act of 2017*.

Medicare coverage policy decisions are made nationally and locally. National coverage decisions (NCDs) are made by CMS to describe the circumstances under which Medicare will cover an item or service on a nationwide basis. Local Coverage Determinations (LCDs) are developed by Medicare Administrative Contractors (MACs) on whether, and under what circumstances, to cover a particular item or service on a contractor-wide basis.

Most coverage policy is determined on a local level by MACs. MACs may make coverage decisions where the Centers for Medicare and Medicaid has not made a national coverage determination or where the rules are too vague regarding a specific procedure. LCD policy may not, however, conflict with a NCD. Although CMS' Program Integrity Manual instructs MACs on how to develop LCDs, the current process lacks transparency and sufficient stakeholder involvement to ensure decisions are in the best interests of patients.

As a result of contractor reforms that have taken place over the past several years, local MACs are now responsible for much larger jurisdictions, and there are fewer opportunities for stakeholders to interact with the contractor medical directors who make local medical policies. As an example, a decision by one MAC could impact beneficiaries in ten states.

Moreover, contractors are allowed to adopt another MAC's draft LCDs. This ability to coordinate decisions effectively transforms a local coverage determination into a national one without having followed the more rigorous national coverage determination requirements. Basic procedural fairness for patients, providers, manufacturers and other stakeholders is often lacking in local coverage decisions.

In light of these challenges, it is imperative that improvements are made to the LCD process to enhance openness and transparency and enhance accountability. Therefore, we ask that you cosponsor S.794. S.794 would require Medicare contractors to establish a timely and open process for developing LCDs that includes, open public meetings, meetings with stakeholders, an open comment period in the development of draft policies, and posting of responses to comments received, as well as a description of all evidence relied upon and considered when drafting and finalizing a coverage determination. Furthermore, S.794 would require MACs seeking to adopt another MAC's proposal to independently evaluate and consider the evidence needed to make a coverage determination. Finally, S.794 would provide physicians and suppliers a meaningful reconsideration process outside of the self-interested review of a MAC that finalized the LCD being objected to.

We urge you to cosponsor S.794. It will improve Medicare's coverage process and ensure that patients can benefit from medical innovation.

Sincerely,

American Association of Neurological Surgeons and Congress of Neurological Surgeons
American Association of Oral and Maxillofacial Surgeons
Advanced Medical Technology Association
Amputee Coalition
American College of Medical Genetics and Genomics
American Academy of Neurology
American College of Rheumatology
American Society of Clinical Oncology
American Society for Radiation Oncology
American Society for Clinical Pathology
American Society of Cytopathology
Association for Molecular Pathology
American Medical Association
College of American Pathologists
National Association of Spine Specialists
Society for Vascular Surgery
Renal Physicians Association
The US Oncology Network
Wound, Ostomy and Continence Nurses (WOCN) Society

State Rheumatology Societies
Alabama Society for the Rheumatic Diseases
Alaska Rheumatology Alliance
American College of Rheumatology
Association of Idaho Rheumatologists (AIR)
Colorado Rheumatology Association
Florida Society of Rheumatology
Georgia Society of Rheumatology
Kentuckiana Rheumatology Alliance
Massachusetts, Maine & New Hampshire Rheumatology Association (MMNRA)
New Jersey Rheumatology Association (NJRA)
New York State Rheumatology Society
North Carolina Rheumatology Association (NCRA)
Philadelphia Rheumatism Society
Ohio Association of Rheumatology
Oregon Rheumatology Alliance
Pennsylvania Rheumatology Society
Rheumatism Society of the District of Columbia
Rheumatology Alliance of Louisiana (RAL)
Rheumatology Association of Iowa (RAI)
Rheumatology Association of Minnesota and the Dakotas
Rheumatology Association of Nevada
Rheumatology Society of North Texas
South Carolina Rheumatism Society
State of Texas Association of Rheumatologists (STAR)
Virginia Society of Rheumatologists (VSR)
West Virginia Rheumatology Society