

# Pathology Services Under Attack in Nevada

Anthem Insurance Proposing Draconian Cuts to Vital Services Risking Patient Safety

## **PATHOLOGY BACKGROUND**

- Pathologists are licensed and certified physicians practicing diagnostic medicine. They are highly trained in programs that incorporate 4-6 years after medical school.
- The adult aging population has an increased incidence of cancer, which is primarily diagnosed by pathologists. Only true physicians can determine the results of these very important tests.
- Recently published studies indicate an impending significant shortage of pathologists due to retirements, and a reduced number of medical school graduates entering the field.
- The difficulty in obtaining visas has reduced the number of foreign physicians seeking pathology residencies in the US thus significantly reducing the population of physicians in training.

## **THE PROBLEM**

***Anthem Insurance has recently made a decision that will have a detrimental impact on pathologists and a lethal impact on patients.***

- Anthem is no longer credentialing pathologists as “physicians,” but instead classifying them as “technical providers.”
- Anthem is now listing pathologists as a component of the “clinical laboratory” fee schedule rather than the “physician fee” schedule.
- These new classifications result in a roughly **70% cut** in many of the reimbursement rates. Most of which are now significantly less than Medicaid.

## **IMPACT ON PATHOLGY INDUSTRY**

- Anthem has created a situation that will reduce the number of physicians entering pathology, due to their non-recognition as physicians and the decrease in their compensation due to the rate cuts.
- This decision will accelerate the number of experienced pathologists retiring due to lack of professional recognition and reduction in reimbursement rates.
- Exasperating the impending shortage of pathologists could lead to delaying patient diagnosis and potentially increasing diagnostic error due to case complexity, overwork, and lack of advanced training.

## **IN SUMMARY**

- Anthem is 1) not classifying pathologists as physicians, 2) failing to recognize the difference in patient case complexity which requires a higher level of professional competence than is required in the commodity focused commercialized outpatient market, and 3) drastically reducing reimbursement rates for pathology services.
- It's important to note that Anthem is proposing similar rate cuts in other states for the same services but at varying levels. Nevada's cuts are some of the worst in the nation by Anthem.
- Ultimately, it is the patients who will suffer the most from these drastic rate cuts. Patients need the vital expertise and skills of pathologists, which will be severely limited due to Anthem's unfortunate decision.