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Mehmet Oz, MD
Administrator
Centers for Medicare & Medicaid Services (CMS)
Department of Health and Human Services
7500 Security Boulevard
Baltimore, Maryland 21244-1850

Dear Dr. Oz,

On behalf of The Society of Thoracic Surgeons (STS), I write to congratulate you on your new post as the CMS administrator. While we recognize that you have a long and fruitful relationship with STS, we wanted to highlight some of our policy priorities during this Administration. As you already know, STS is a not-for-profit organization representing more than 7,800 surgeons, researchers, and allied healthcare professionals worldwide who are dedicated to ensuring the best possible outcomes for surgeries of the heart, lungs, and esophagus, as well as other surgical procedures within the chest.

Leading the Fight Against the Nation's Deadliest Diseases

Our surgeons treat the most common and devastating conditions in the United States. Heart disease is the leading cause of death in the United States and accounts for 1 in every 5 deaths.[1] Lung cancer is by far the leading cause of cancer death. The American Cancer Society estimates that 125,070 died of lung cancer in 2024 alone. The Medicare population shoulders most of this disease burden—the average age of people diagnosed with lung cancer which is 70.[2]

STS is a Leader in Collecting Real-World Evidence

STS developed its National Database in 1989 as the foundation of our efforts to improve quality and patient safety among cardiothoracic surgeons. It is the largest cardiac surgical database in the world. For example, 97% of Medicare sites that perform coronary artery bypass graft (CABG) are captured in the STS National Database.[3] The Database has four components, each focusing on a different area of cardiothoracic surgery:

- Adult Cardiac Surgery,
- Congenital Heart Surgery,
- General Thoracic Surgery, and
- Mechanical Circulatory Support.

[1] https://www.cdc.gov/heart-disease/data-research/facts-stats/index.html
[2] https://www.cancer.org/cancer/types/lung-cancer/about/key-statistics.html
[3] Jacobs JP, Shahian DM, Grau-Sepulveda M, et al. Current Penetration, Completeness, and Representativeness of The Society of Thoracic Surgeons Adult Cardiac Surgery Database. Ann Thorac Surg. 2022;113(5):1461-1468. doi:10.1016/j.athoracsur.2021.04.107

Currently, the Adult Cardiac Surgery Database (ACSD) alone contains more than 7 million cardiac surgery procedure records and has more than 3,800 participating physicians, including surgeons and anesthesiologists, representing more than 95% of all adult cardiac surgery hospitals and practices across the United States.

Information gathered from the database is used for improving the quality of adult cardiac surgery, facilitating the generation of new knowledge, informing patients and their families regarding the risks of surgery, and providing data to multiple national governmental and non-governmental agencies.

STS, in partnership with the American College of Cardiology (ACC), has learned firsthand how the use of clinical data registries can capture real-world data to inform CMS coverage for devices approved by the Food and Drug Administration (FDA). During the past decade, the STS/ACC TVT Registry™ and Coordinated Registry Network supported 23 regulatory decisions and ensured evidence-based evaluation of Transcatheter Valve Therapy (TVT) technology. This method of real-world evidence generation creates value for manufacturers and the broader device ecosystem with significant benefits to public health. Based on our experience, we believe it is pivotal to add safeguards for new drugs and devices through coverage with evidence development (CED). Based on our experience and leadership, CMS should maintain the requirement for CED and consider STS as a resource to help inform the processes around coverage for breakthrough technologies.

Medicare Reimbursement for Physicians

Cardiothoracic surgeons are consistently facing unwarranted reductions to their Medicare reimbursements. When cuts to surgical care occur, it harms patients by potentially limiting access to critical treatments and procedures and making it hard for providers, hospitals, and others to plan for the future. These issues become even more acute in rural areas given workforce shortages and the geographic distribution of surgeons.

Cardiothoracic surgeons are facing multiple challenges with Medicare reimbursement:

- The Medicare conversion factor, a key component used to calculate physician reimbursement rates for services and procedures under the Medicare Physician Fee Schedule, has failed to keep up with inflation. Physician payment is the *only* major healthcare sector that does not see automatic inflation adjustments.
- Physician payment rates decreased by 2.83% starting on January 1, 2025.
- Medicare physician payments have lagged 33% behind the rate of inflation growth since 2001.

STS is committed to working with CMS to help reform the Medicare reimbursement system to create a sustainable solution to this problem. We will continue our work to support transitions to value-based payment mechanisms but, as practices continue to engage with alternative payment models (APMs), maintaining a stable Medicare environment is critically important to ensuring beneficiary access to care. It is also essential that we strengthen the health care workforce pipeline and ensure that practices have the capital to invest in new models of payment that incentivize the delivery of efficient and high-quality health care.

Maintaining the Global Surgical Period

In recent years, CMS has proposed significant changes to the global surgical period, including converting 10- and 90-day global procedures to a 0-day global period. However, the longstanding 10- and 90-day global service periods remain a cost-effective approach, ensuring surgeons can provide essential pre- and post-operative care. The original intent of global surgical reimbursement was to discourage itinerant surgery and

fee splitting while reducing administrative burdens for both providers and payors, allowing them to focus on patient care.

STS strongly opposes disruptions to global surgical payments, as they would negatively impact patient care by deterring follow-up visits, increase administrative burden by requiring the submission of multiple claims (where now there is only one), and undermine ongoing efforts to improve care coordination. Global payments facilitate a team-based approach, which, as you know, is a critical component of cardiothoracic care, ensuring high-quality, efficient healthcare delivery. Eliminating the global surgical period could reduce patient adherence to follow-up care, increase financial burdens, and weaken provider coordination which could threaten patient outcomes.

As part of the *Medicare Access and CHIP Reauthorization Act of 2015* (MACRA), Congress reaffirmed globals and prohibited CMS from converting 10- and 90-day globals to 0-day globals. However, the Agency has continued to undermine global surgical packages, which is detrimental to patient care and not reflective of the increasing resources needed to deliver health care. At the very least, CMS should provide a commensurate update to the values of global surgical packages to reflect the increase expense associated with office and outpatient evaluation and management (E/M) visits that were implemented in 2021 as CMS has done in all other instances of E/M revaluations.

Transforming Episode Accountability Model (TEAM)

STS appreciates the goals of CMS and the Centers for Medicare and Medicaid Innovation (CMMI, Innovation Center) to move towards APMs that aim to align financial incentives while improving care coordination. We are particularly supportive of the Innovation Center's recent step towards developing payment models for specialty medicine. Previously, APM options were limited under the CMS Quality Payment Program. However, in the fiscal year (FY) 2025 Inpatient Prospective Payment System (IPPS) rule, CMS finalized mandatory participation in a new value-based payment model – Transforming Episode Accountability Model (TEAM).

While we appreciate that CMMI is prioritizing cardiothoracic surgery as an area of importance, we have significant concerns about the roll out of TEAM and believe it needs to be refined prior to mandatory participation in 2026. You can review STS's submitted FY 2025 IPPS comments here for a thorough explanation of our recommendations for improvement which include adjustments to the episode length, quality metrics, and payment methodology. [4]

We appreciate your prioritization of these issues and look forward to working with you. Please contact Molly Peltzman, Associate Director of Health Policy, at mpeltzman@sts.org, should you need additional information or clarification.

Sincerely,

Joseph F. Sabik III, MD
President

[4] https://drive.google.com/file/d/1fXxWW3hKL8rcMLBqWJirR7L3xfJXd1-I/view