identified shortcomings of current metrics in assessing dermatologic care. The limitations surrounding performance measurements underscore the need for metrics that accurately assess dermatologist performance in addition to offering clear clinical benefit and balancing administrative and financial burden.

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Economic assessment of the 2020 site-neutral payment reform for dermatologists

To the Editor: To control growth of hospital outpatient services, the Centers for Medicare and Medicaid Services (CMS) intends to transition separate physician and facility payments for Medicare clinic (evaluation and management [E&M]) visits in the off-campus outpatient hospital department (HOPD-OFF) to a single physician fee service (PFS) payment in 2020.[1] Given the high utilization of dermatologic services among the Medicare-aged population, it is essential to evaluate the potential impact of this reform for dermatologists.

We performed a cross-sectional review of the 2017 CMS Physician/Supplier Procedure Summary and Public Use Files to assess the hypothetical aggregate and regional impact of the payment adjustment for dermatologists. We first determined the setting distribution (office, HOPD-OFF, on-campus outpatient hospital department) and service level distribution (Healthcare Common Procedure Coding System [HCPCS] codes: 99201-99205, 99211-99215) among 2017 E&M visits. For each HOPD-OFF visit type, we estimated the net payment reduction by subtracting the proposed payment (nonfacility PFS rate) from the old payment (CMS outpatient prospective payment system rate [$106.56][1] + facility PFS rate) and aggregating these values across all visit types/service levels.

In 2017, 11,350 dermatologists reported 11.1 million E&M visits with 794 dermatologists (7.0%) reporting at least 1 outpatient hospital visit. The majority (95.5%) took place in the office as compared with the HOPD-ON (2.1%) and HOPD-OFF (2.3%) environments (Table I). There was significant geographic variation in outpatient hospital-based E&M frequency, with Vermont (39.2%) and South Dakota (21.1%) exhibiting the greatest use (Fig 1). For 252,736 HOPD-OFF visits, we estimated a potential payment reduction of $20.8 million. Limited

Table I. Outpatient new and established Medicare evaluation and management visits among dermatologists, stratified by place of service, visit type, and service level, 2017*

Measure	Frequency	Estimated payment reduction, $ million
Dermatologists reporting ≥1 new or established E&M visit, n	11,350	
Dermatologists reporting ≥1 outpatient hospital E&M visit, n (%)	794 (7.0)	
Total new and established E&M patient visits, n	11.12 million	
Office visits, n (%)†	10.62 million (95.5)	—
On-campus outpatient hospital visits, n (%)†	232,978 (2.1)	
Other visit types, n (%)	10,023 (0.1)	
Off-campus outpatient hospital visits, n (%)†	252,736 (2.3)	$20.8
New visits, n (%)	40,976 (16.2)	$3.2
Service level 1 (HCPCS 99201)	1192 (0.5)	$0.1
Service level 2 (HCPCS 99202)	19,165 (7.6)	$1.6
Service level 3 (HCPCS 99203)	19,389 (7.7)	$1.5
Service level 4 (HCPCS 99204)	1099 (0.4)	$0.0
Service level 5 (HCPCS 99205)	131 (0.1)	$0.0
Established visits, n (%)	211,760 (83.8)	$17.6
Service level 1 (HCPCS 99211)	326 (0.1)	$0.0
Service level 2 (HCPCS 99212)	26,259 (10.4)	$2.3
Service level 3 (HCPCS 99213)	128,325 (50.8)	$10.9
Service level 4 (HCPCS 99214)	55,640 (22.0)	$4.3
Service level 5 (HCPCS 99215)	1210 (0.5)	$0.0
Estimated 2017 Medicare payment reduction		$20.8

CMS, Centers for Medicare and Medicaid; *E&M*, evaluation and management; *HCPCS*, Healthcare Common Procedure Coding System.
*Data were obtained at the level of the dermatologist through the Physician and Other Supplier Public Use File and at the level of the clinic visit through the Physician/Supplier Procedure Summary File. Payment reduction is hypothetical for 2017 when considering the 2020 reform and is calculated by subtracting the proposed payment amount (2017 nonfacility PFS rate) from the old payment amount (2017 CMS outpatient prospective payment system rate + 2017 facility physician fee service rate) and summing these values across all visits. The Centers for Medicare and Medicaid Services. 2017 Physician/Supplier Procedure Summary Data. 2017. Available at: https://data.cms.gov/Medicare-Physician-Supplier/2017-Physician-Supplier-Procedure-Summary/xfvs-efd5. Accessed February 10, 2020.
†According to CMS definitions, office locations refer to non−hospital-based ambulatory clinics that routinely provide diagnostic and treatment services. On-campus outpatient hospital visit settings offer ambulatory services and are within 250 yards of an affiliated main hospital building; off-campus outpatient hospital visits settings offer ambulatory services and are more than 250 yards but within 35 miles of an affiliated main hospital building.

data specificity prevented identifying the HOPD-OFF setting at the physician level.

Our analysis shows that established visits drive the majority (85%) of the potential payment reduction. Interestingly, the percentage of visits in the HOPD-OFF setting is lower for dermatology (2.3%) than for some other specialties (2.2%-3.9%),[2] indicating that payment reduction for dermatologists is primarily driven by the overall quantity of E&M visits as opposed to disproportionate use of the HOPD-OFF setting. Importantly, because the facility fee elimination does not broadly apply to all facilities, the payment reduction will have a significant impact on a small number of individuals (<7%) at institutions with HOPD-OFF utilization.

Academic centers with HOPD-OFF departments may face particular difficulty because they will be required to bear greater overhead costs and are already negatively affected by value-based payment reforms by serving sicker patients with complex socioeconomic needs.[3] For dermatology, this may affect graduate medical training and the resources available to optimize patient outcomes, given that the severity and management of dermatologic conditions are often not adequately accounted for in reimbursement models.[4]

Additionally, regional analysis suggests diminishing practicing incentives in northern, rural regions and in areas that have engaged in extensive vertical consolidation of independent practices into hospital systems.[5] Hospital-based dermatologists, especially those at academic centers, must continue to adapt amidst the rising cost of care and find innovative ways to deliver high-value, cost-conscious care through research and education.

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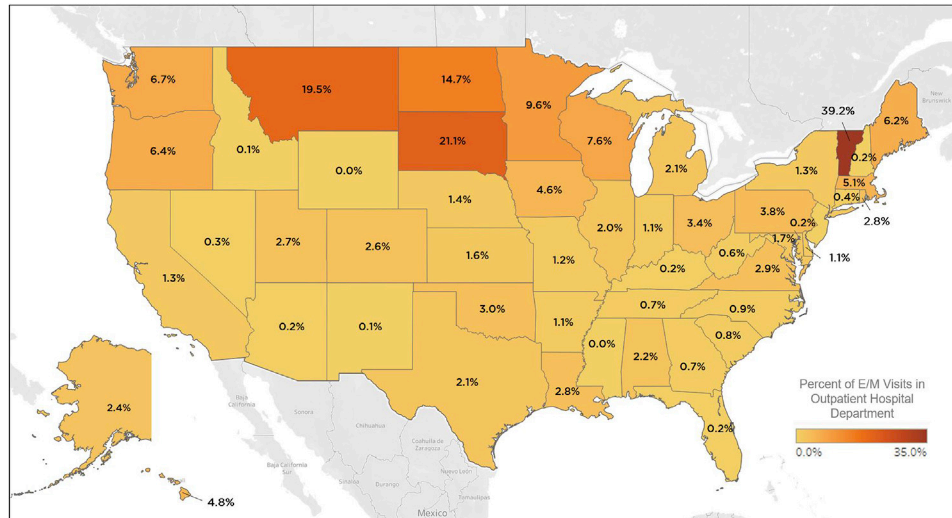

Fig 1. Geographic variation in Medicare evaluation and management visit occurrence at outpatient hospital department locations among dermatologists. Percentages indicate the frequency of E&M visits at the outpatient hospital department as a proportion of all E&M visits. Data were aggregated for each state by considering the billing address of each dermatologist. Limited granularity in the Physician and Other Supplier Public Use File precluded the discernment between off-campus and on-campus outpatient hospital visits visits. *E&M*, Evaluation and management.

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Psoriasis improvement and satisfaction in patients using a clobetasol spray and oral apremilast combination regimen: A pilot study

To the Editor: Apremilast is an oral phosphodiesterase-4 inhibitor with a 33% efficacy of achieving Psoriasis Area and Severity Improvement (PASI) 75 at 16 weeks for patients with moderate to severe plaque psoriasis.[1] Common adverse effects include gastrointestinal symptoms, headache, and nasopharyngitis.[1] Clobetasol propionate spray 0.05%, a clobetasol formulation with similar efficacy