Q&A: SGR Bill Patch Addresses Reimbursement, Effects on Radiology

By Whitney L. Jackson

Recently-passed bill in Congress aims to curb inappropriate utilization of imaging services and safeguard reimbursement.

On Monday, March 31, the U.S. House of Representatives passed a bill that would function as a patch to the larger Sustainable Growth Rate (SGR) legislation. Included were measures that could impact the utilization of advanced imaging services, as well as reimbursement rates in the future. Diagnostic Imaging spoke with Cindy Moran, assistant executive director for the American College of Radiology (ACR), about the bill’s details.

What role did the ACR play in crafting this legislation, and what is its intent?
This is legislation that the ACR helped develop. We were very involved from the beginning of the development of the policy and worked within Congress very hard to build support for it. We’re very pleased that the appropriateness guideline policy was inserted into the SGR patch – that was really quite an accomplishment.
The gist of the legislation is that using clinical decision support (CDS) tools embedded with physician-developed appropriateness criteria will ultimately improve the accuracy of ordering advanced diagnostic studies and ensure the appropriate studies are done for the right reason on the right patient. We think this is the reason why we were allowed to participate in crafting the policy. Not only is it part of the major legislation, but Congress also felt strongly that we were the poster child for what is good in envisioning a payment system that will evolve in the future.

Why is this type of patch important?
The legislation doesn’t ensure that we’re never going to get cut again, but it hopefully will call time out on the relentless continuous reduction of reimbursement on the technical and professional components that happens. When Congress is in need of money, it digs into the diagnostic imaging world. We hope this will be the referee whistle. Let’s give this new program an opportunity to thrive and to see if it can’t impact utilization rates and make sure that only appropriate utilization is done.

Cynthia Moran, executive vice president, American College of Radiology

But this is federal legislation, has there been any activity at the state level?
I think a lot of states will take to this and run with it. Until now, the only way to control utilization has been through radiology benefit management (RBM) companies and pre-authorization programs. I’m
betting on the federal government taking this step now as being a roadmap for how states can also use it in their own programs with Medicare and private payers. It’s a much preferred way. Ordering physicians much prefer using CDS tools and appropriateness criteria than mandatory pre-authorization programs run by the black hole of RBMs. I encourage this and hope the states will respond accordingly.

**How does this bill address reimbursement issues?**
We have another policy included in this patch. It deals with the multiple procedure payment reduction (MPPR). This is a long-standing policy on payment reduction on more than one imaging study on the same patient during the same episode of care that the ACR has been pushing back on to CMS. Since 2012, the ACR has never been able to get the justification in data or policy analysis for this payment reduction. Congress has now mandated that the Centers for Medicare & Medicaid Services (CMS) reveal its data. We wish they’d gone further to reverse the MPPR cuts, but this is a good first step.

**What, if anything, in this legislation has caused concern within the ACR?**
We’re concerned by one section in the patch that really, in essence, eviscerates the Relative Value Update committee. It allows the Secretary [of Health & Human Services] to use any method or means to go into the fee schedule and figure out however she thinks physicians should be reimbursed. This is going to be a very interesting process to watch, and I think that most physician groups are extremely concerned, as we are. The Secretary has always had the authority to go into the fee schedule and review for reimbursement, but this has been expanded in the Affordable Care Act to go after over-valued procedures and to see what needs to be reviewed and reduced. This really now allows her to go into the practice expenses and the work value, to let her run her own survey – anything she wants to determine the procedures or payments that are made.

**Are there specifics about what will be done regarding CDS tools?**
The CDS policy won’t go into effect until January 2017, and there will be some benchmarks set prior to that. The Secretary will determine the CDS mechanisms, and there will be selections of CDS tools that meet requirements. The Secretary will determine the appropriateness criteria that meet her requirements to be inserted into the program. And, there will be specific deadlines attached to those. The ACR will be working with CMS very closely to make sure the program is implemented in the way that we intended it to be and hope it will be.

**What do you anticipate will happen next?**
I really think the next step will be that all the policies will be incorporated into a larger bill. [Senate Finance Committee] Chairman [Ron] Wyden announced he intends to bring the policy back up in the Lame Duck session after the mid-term elections. We may be back into the battle stance – we have to protect what we’ve accomplished up to this point. We anticipate there will be detractors, including RBMs that will try to get into the legislation and try to make marks. We’ll be extremely vigilant and prepared to fight any changes proposed to our successes.

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