



SOCIETY OF **CARDIOVASCULAR** COMPUTED TOMOGRAPHY

June 25, 2010

The Centers for Medicare & Medicaid Services (CMS) issued the proposed rule on the 2011 Medicare Physician Fee Schedule (MPFS). CMS projects a -6.1 percent reduction to physician payment rates in 2011, in addition to the 23.5 percent Medicare physician fee cut slated to take effect December 1, 2010. Overall, the rule improves payment for primary care services and implements expansions in preventive care services for Medicare beneficiaries that were included in the new health care reform law.

CMS has accepted SCCT recommendations to revise pricing of several practice expense items, including the 64-slice CT scanner and its accompanying software. This impacts codes 75571, 75572, 75573 and 75574. However, the Deficit Reduction Act caps the technical component reimbursement at the lesser of the Medicare Physician Fee Schedule or Hospital Outpatient Prospective Payment System amounts. CMS has yet to release the 2011 Hospital Outpatient Prospective Payment System Proposed Rule and therefore, we cannot evaluate payment levels at this time.

Unfortunately CMS proposes to implement several negative policies for advanced imaging including:

- Payment reductions due to increased equipment utilization assumption rates. Effective 2011, CMS will assume that equipment is in use 75 percent of the time a practice is open for business. This percentage was specified in the new health care reform law. While this will have some effect on reducing practice expense relative value units (RVUs) and reimbursement, it is better than the 90 percent assumption CMS now uses.
- Requiring physicians referring CT, MRI and positron emission tomography (PET) services under the in-office ancillary services exception to notify patients in writing that the services are available from other suppliers and to provide a list of alternate suppliers
- An increase in the multiple procedure payment reduction policy that currently applies to imaging services performed on contiguous body parts. CMS proposes to apply this policy to imaging performed on the same day regardless of body area. Additionally CMS specifically noted that the four new cardiac CT codes have been proposed for inclusion under the multiple procedure payment reduction

CMS will accept comments on the proposed rule until August 24, 2010. The final rule will be issued on or about November 1, 2010.

SCCT will post a more detailed analysis to the website next week. Please check www.scct.org for updated information.