

Dermatology Coding Alert

News You Can Use: Double-Digit Cuts May Strike Your Income Starting in January

Some specialties will be hit hard, unless Congress steps in

Every year around this time, there is talk about how next year's reimbursement will change -- and for the past several years there has been a looming double-digit pay cut on the horizon. This year is no different. The CMS proposed 2013 Fee Schedule also has some disappointing news for many specialties.

On July 6, 2012, CMS released its proposed Medicare Physician Fee Schedule for 2013. The 760-page document, which was published in the July 30 Federal Register, offers a look into how the agency configures its RVU assignments, and shows just which specialties will escape drastic cuts to their reimbursement.

Proposal Would Pay for Hospital Transitions

If a physician such as one in family practice, internal medicine, or in geriatrics spends a significant amount of time providing care for patients transitioning back to the community following a hospital or nursing facility discharge, you might see extra Medicare pay for these physicians for this special service in 2013 if the proposal is finalized.

"The proposal calls for CMS to make a separate payment to a patient's community physician or practitioner to coordinate the patient's care in the 30 days following a hospital or skilled nursing facility stay," CMS says. "The proposed rule also asks for public comment on how Medicare can better recognize the range of services community physicians and practitioners provide as part of treating patients either through face-to-face services in the office or coordinating care outside the office when the patient does not see the physician."

Steep Cuts Will Hit if Congress Doesn't Step In

As most practices are aware, Congress voted earlier this year to eliminate a 27 percent Medicare payment cut that was supposed to kick in for 2012. Unfortunately, practices will have to play a waiting game once more next year and hope that legislators once again halt such cuts, because the 2013 Fee Schedule projects that these cuts will be just as steep.

"For 2013, CMS projects a reduction of 27 percent and is required by law to include this reduction in these calculations," CMS noted in a July 6 news release regarding the cuts. "However, Congress has acted to avert the cuts every year since 2003. The Administration is committed to fixing the SGR formula in a fiscally responsible way."

ACA won't affect SGR: Readers have asked if the Supreme Court decision stating that the Patient Protection and Affordable Care Act (ACA) is constitutional changes the planned 27-percent decrease. The answer is "no" -- the ACA has no impact on the proposed Medicare Physician Fee Schedule, which sets payment for physician services, including pathology.

"The Sustainable Growth Rate (SGR) formula is not addressed in the ACA and is not affected by the ruling," says **Barbara J. Cobuzzi, MBA, CPC, CENTC, CPC-H, CPC-P, CPC-I, CHCC**, president of CRN Healthcare Solutions, a consulting firm in Tinton Falls, N.J. "Congress is expected to act to keep rates frozen for the foreseeable future. This is a political hot potato that Congress just does not want to touch."

Primary care bonus: Some specialists will see pay raises under the proposal, rather than cuts. CMS is proposing a seven percent increase for family practitioners, a five percent boost for internal medicine physicians and pediatricians, and a four percent raise for geriatricians. "Helping primary care doctors will help improve patient care and lower health care costs long term," said CMS Acting Administrator **Marilyn B. Tavenner** in a July statement.

