

Part B Insider (Multispecialty) Coding Alert

DIAGNOSTIC IMAGING: Brace Yourself For 50 Percent Pay Cut On Multiple Imaging Procedures

CMS seeking comments on sharp pay reduction for radiologists

Radiologists could face an extra 2 percent decrease in payments next year if the **Centers for Medicare & Medicaid Services** gets the volume discount it's looking for.

In its 2006 physician fee schedule proposed rule, CMS says that it's considering instituting a 50 percent price cut for the technical component of multiple diagnostic imaging procedures. Medicare already has a 50 percent reduction for the second and subsequent surgical procedures on the same day, CMS notes. And the multiple procedure discount has applied to nuclear medicine since 1995.

When a practice performs multiple imaging scans on the same day, staffers save time because they don't have to perform certain activities more than once, CMS insists. These include greeting and escorting the patient, providing education and obtaining consent, fetching prior test results, setting up the IV and preparing the room. And practices save on supplies when they do multiple scans, according to CMS.

But CMS isn't planning to apply a discount to the professional component of multiple imaging services because physicians have to do the same amount of work for each procedure.. And for now, CMS will only apply the discount to multiple imaging procedures involving body parts that are next to each other.

CMS estimates that radiologists would face a 2 percent decrease in their payments as a result of the multiple imaging discount. Other specialties, meanwhile, would reap small increases as a result of the discount.

Physicians don't necessarily save money every time they provide multiple imaging procedures on nearby body parts, says **Marcy Sabin**, radiology billing manager with **Texas Hematology/Oncology**. For one thing, if they do an MRI and CT scan of the arm, you have to move the patient to a different machine. And even with the same modality, you have to use the same amount of technician time, machine time and scanning time per procedure.

There aren't really economies of scale in most parts of diagnostic imaging, agrees **Joan Gilhooly**, president of **Medical Business Resources** in Evanston, IL. The costs of the space, equipment, staff time, films and computer storage remain constant no matter how many imaging tests you perform. There may be some savings in bulk, but not 50 percent worth.

If a patient has three tests in one session, they'll take two hours total, says Sabin. But if the patient had the tests on different days, they'll take 45 minutes each, or a total of two hours, 15 minutes. "There's not much justification for Medicare to say we deserve to be paid less." If Medicare goes through with this rule, physicians will start bringing patients back on different days for separate scans, instead of doing them all at once, she predicts.