

Part B Insider (Multispecialty) Coding Alert

Drug Payments: Christmas May Come In November For Docs Who Dispense Drugs

But it's up to CMS to decide whether you get coal or candy

You could see a major increase in next year's payments for drug administration - but that increase may or may not compensate for steep cuts.

The Medicare Modernization Act called for Medicare to pay drug administration based on a level-one office visit, but the **American Medical Association/Specialty Society RVS Update Committee** (RUC) recommended raising payment levels across the board, reports **Jenny Heumann** at the **American Society for Clinical Oncology**.

Drug administration codes could include practice expenses like clinical staff, medical supplies and equipment if the **Centers for Medicare & Medicaid Services** takes the recommendations the RUC submitted on Oct. 4. Specialty societies also proposed to add some elements of clinical staff time that are usually part of a "standard package" across other services to the administration payments in the RUC's meeting, from Sept. 30 to Oct. 2.

The RUC used expense data and proposed work values submitted by a coalition of specialties, including oncology, hematology, infectious disease, gastroenterology, urology and rheumatology. The specialties developed their proposals in "consensus panels" and based them on previous RUC recommendations for drug administration and other services.

The RUC agreed with the specialties that doctors' supervision and interaction with nursing staff warranted physician work RVUs for those services. For many of the drug administration codes, that work is more intensive than a level-one office visit would cover. The RUC generally accepted practice expense data based on its own 2002 review of drug administration expenses, but added some elements, such as the clinical staff time needed to mix additional chemotherapy drugs.

The **CPT Editorial Panel** recommended the new and revised codes at its August 2004 meeting.

CMS will assign values in its physician fee schedule final rule, expected Nov. 1. Even if CMS accepts the RUC's recommendations, though, the rise in payment values might not compensate for sharp drug cuts. The RUC's expense data is only one part of the complex formula CMS uses to calculate practice expense RVUs, the RUC noted in its report.