

Part B Insider (Multispecialty) Coding Alert

Imaging, Diagnostic Procedures Swarm To Docs' Offices, Study Shows

The **Medicare Payment Advisory Commission** is preparing a report on the reasons for the growth in volume of Medicare physician services, and the results could lead to crackdowns on diagnostic tests and imaging in physician offices.

Drugs definitely account for a disproportionate amount of the overall growth in spending associated with doctors, but the main driver is still the physician services themselves. Nor do the aging population or the decline of Medicare managed care account for the sharp increases in physician-related spending.

Once again, MedPAC blamed imaging services, diagnostic tests and new technologies for the drastic rise in doctor spending. New technologies may cost more, or they may increase volume by allowing sicker patients to receive treatment.

MedPAC hired the **Urban Institute** to study the settings in which physicians perform treatments, and received some startling findings. The share of non-imaging services in physician offices decreased 1.4 percent between 1999 and 2002. And only 4.5 percent of major procedures happened in offices in 2002, down from 8 percent in 1999. But the percentage of imaging services in physician offices rose from 63 percent to 66 percent during that time, and nuclear medicine grew from 75 percent to 81 percent. Total imaging relative value units grew 39 percent, or double the rise in other RVUs.