

Part B Insider (Multispecialty) Coding Alert

PHYSICIAN FEE SCHEDULE: CMS Proposes Scrapping Consult Code Payment

Plus: 21.5 percent cut looms for your services.

Heavy pay cuts for your physician's services could be on the horizon, according to the proposed Medicare [Physician fee schedule](#), printed in the July 13 Federal Register.

CMS is projecting a record 21.5 percent rate cut, and proposes halting payment for consult codes in 2010. Instead of reporting consult codes, you'd report new or established patient office visit or hospital care (E/M) codes for these services, and CMS would increase payments for the existing E/M codes.

To determine the impact of this change, you'd have to compare the reimbursement from the new fee schedule office visit fees vs. the current office consult fees, as well as the new hospital visit E/M charges vs. the current hospital consult fees, says **Quinten A. Buechner, MS, MDiv, CPC, ACS-FP/GI/PEDS, PCS, CCP, CMSCS**, president of ProActive Consultants in Cumberland, Wis.

Using this year's figures, you'd lose between \$16 to \$45 for office consults that would now be coded as new patient visits, and you'd lose \$30 to \$100 for established office consults coded as E/Ms, Buechner says. A rough calculation shows that the additional E/M payments (proposed at 6 to 8 percent) may not cover the loss of consult money. This could cause pay cuts for specialists in particular, who bill consults more often than primary care physicians.

Potential good news: Whether or not the pay cuts will actually become final is anyone's guess. "Since far less draconian cuts have been reversed by Congress over the past seven years, and since the current plan in Congress and in the Obama Administration is to finalize a health care reform package by November, I expect that this issue will be addressed before the draft regulation takes effect," says **David C. Harlow, Esq.**, of The Harlow Group in Newton, Mass.

Some expressed concerns, however, that CMS would not address the payment issues in a structural manner. "That would require a wholesale change in reimbursement methodologies, to a value-based purchasing approach that does not rely on the current piecework system,"

Harlow said. "More likely is the imposition of a new stopgap measure (e.g., by removing physician-administered drugs from the basket of costs subject to the sustainable growth rate) that does not address the underlying issues."

Turn the page to read more about the proposed [fee schedule](#).