

Part B Insider (Multispecialty) Coding Alert

PHYSICIAN NOTES: Battle Of Wills Over Your Pay Cut Goes Down To Wire

Pay for performance is main bargaining chip

With time running out to save you from punishing cuts next year and in 2007, congressional leaders are playing chicken with physician organizations.

The **American Medical Association** insisted in a Dec. 5 letter to the Administration and Congress that it won't accept any pay for performance (P4P) programs unless physicians are spared from pay cuts. But House Ways and Means Committee Chair **Bill Thomas** (R-CA) blasted back that Congress might not reverse the 4.4-percent cut unless the AMA first agreed to accept Medicare P4P.

"You don't say, 'Pay me first and then we'll talk about quality,'" Thomas said, according to press reports.

Separately, **AdvaMed**, a trade association of medical device manufacturers, also came out against P4P, saying it would drive doctors to cheaper, second-rate products, according to reports.

The House of Representatives plans to push forward with Medicare and Medicaid cuts that were in the Labor-HHS appropriations bill that the House voted down in November, the Wall Street Journal reports. The White House still opposes any cuts to Medicare, even to pay for rescuing physicians from a pay cut.

In other news:

- Medicare won't cover nesiritide for the treatment of chronic heart failure, under a proposed national coverage determination, because there isn't enough data to support this use of the medication. Medicare will continue to cover nesiritide for acute(ly) decompensated heart failure. You can comment on this proposal by going to www.cms.hhs.gov/coverage and clicking on "What's New."
- The **Federal Trade Commission** ruled unanimously that **North Texas Specialty Physicians** illegally fixed prices in the association's negotiations with payors, including insurance companies and health plans. For more information, check out www.ftc.gov/opa/2005/12/ntsp.htm.
- [Medicare added a number of codes to the covered list for ambulatory surgery centers for 2006, including several skin graft and debridement codes and anorectal diagnostic exam code 45990. Transmittal 720, dated Nov. 14, also deleted several codes from the ASC list, including skin homograft codes 15350-15351, hyoid bone fracture treatment codes 21493-21494, larynx fracture treatment codes 31585-31586 and leg vein removal codes 37720-37730.](#)
- [The HHS Office of Inspector General singled out two physician practices in its semi-annual report on health care fraud. A Seattle, WA cancer treatment center billed for take-home cancer drugs as if a physician administered them, and a Massachusetts endocrinologist billed office visits as consults and routine blood draws as critical care blood draws.](#)