Part B Insider (Multispecialty) Coding Alert

REIMBURSEMENT: Cardiologists, ER Docs Would Suffer Most From 9.9 Percent Cut

Good news for anesthesiologists, bad news for everyone else

Bad news: Your Medicare payments still face a cut of 9.9 percent next year, unless Congress acts.

That's the worst news in the 2008 physician fee schedule proposed rule, released by the **Centers for Medicare & Medicaid Services** (CMS).

The biggest losers would be cardiologists, emergency physicians, hand surgeons, interventional radiologists, nephrologists, neurosurgeons, rheumatologists, thoracic surgeons and vascular surgeons. The biggest winners from the new rule would be audiologists, optometrists, nuclear medicine physicians, geriatricians and dermatologists.

The good news: CMS decided to accept a number of recommendations from the **American Medical Association-s** (AMA-s) Relative Value Update Committee (RUC) that it ignored last year. That means the value of the work RVUs for anesthesia services will go up by 32 percent. Anesthe-siologists are the only specialty that stands to see an increase in payments, instead of a decrease, in 2008.

And CMS will adjust the work RVUs for more than 50 procedures, in line with the RUC's recommendations. Work RVUs will go up for 33 codes and decrease for 10 codes, staying the same for another 15. Big winners include 19301 (Partial mastectomy), which goes up from 6.03 work RVUs to 10 work RVUs, and a number of proctosigmoidoscopy codes. Some audiology and cochlear implant codes will go from zero work RVUs to low work RVUs.

Most nursing facility care codes (99304-99310) will see RVU increases. But home visits (99343-99350) will stay the same, instead of increasing as some physicians had requested.

CMS is also revising the way it calculates payments for Part B drugs. Medicare will force drug manufacturers to allocate their -bundled price concessions- when they report the costs of drugs. That may mean you won't lose so much money on drugs because large organizations are getting bulk discounts and driving the average prices down.

More important changes in the new proposal:

Quality: CMS also unveils new quality measures in seven different categories that it wants to include in next year's Physician Quality Reporting Initiative (PQRI). The measures must win the approval of the **National Quality Forum** (NQF) or the **AQA Alliance** (AQA) to make it into the PQRI.

The proposed new measures come from the AQA Starter Set, the NQF Ambulatory measure set, and some new measures being developed with the AMA. Medicare will continue to pay bonuses of 1.5-2.0 percent for reporting on quality indicators into 2008.

IVIG: Medicare will keep paying for pre-admission services for intravenous infusion of immunoglobulin (IVIG), using temporary code G0332. This code is designed to reimburse you for the costs and resources involved in tracking down IVIG products for your patients.

Geographic index: CMS also updated its geographic index of physician practice costs to reflect newer data. It remains to be seen whether this will protect Medicare from a recent lawsuit by California counties that have lost out on physician reimbursement because of inaccurate data showing them as low-cost areas.

Therapy: The proposed rule also would require physical and occupational therapists to meet their states- licensing, registration or certification requirements. And it would change the timeframes for certifying a therapy plan of care.

Imaging: Medicare would still cap the technical component of imaging procedures at the hospital outpatient rate. And it would apply that cap to some ophthalmologic imaging services.

Reporting: If your oncologist supplies patients with drugs to treat anemia as part of anti-cancer treatments, you would have to report the patient's hemoglobin or hematocrit data.

Compliance: The rule would close some loopholes in the physician self-referral rules that CMS says have made the program -vulnerable to abuse.- In particular, you can't mark up the cost of a diagnostic test that your practice purchased from another group or physician.

E-prescribing: Computer-generated faxes would have to comply with normal standards for electronic prescriptions. Letting your computer create a fax was supposed to serve as training wheels for real electronic prescriptions, but now CMS is worried that doctors and pharmacies haven't moved beyond the fax yet.

For more information: Go to www.cms.hhs.gov/center/physician.asp.