

## Part B Insider (Multispecialty) Coding Alert

### Reimbursement: Get Ready For Some Big Changes In 2005

#### If you're in a shortage area, you could receive a nice boost

The conversion factor for 2005 is 37.8975, up from 2004's amount of 37.3374. But that's still lower than the 2001 level of 38.2581, meaning that doctors' payments have lost ground overall in the past few years.

The biggest winners in 2005 are vascular surgeons (+4 percent), interventional radiologists (+3 percent) and pathologists (+2 percent). The biggest losers are ophthalmologists (-1 percent) and allergists/immunologists (-1 percent).

In the final physician fee schedule rule, CMS also:

1. added a 5 percent payment for physicians practicing in physician scarcity areas (PSAs) and 10 percent payment to physicians in health professional shortage areas (HPSAs).
2. set plans to calculate new resource-based malpractice RVUs based on data from 2001 and 2002, plus projected data from 2003. These RVUs will be specialty-weighted, meaning that specialties such as ophthalmologists with low malpractice premiums will receive less money, according to the **American Academy of Ophthalmology**.
3. finalized plans to revise the Geographic Practice Cost Indices (GPCIs) for work and practice expense components based on updated census data and **Department of Housing and Urban Development** fair market rental value data. Various physician groups criticized the GPCIs as a flawed system, but CMS said Congress required them.
4. ditched plans to change the global period for [CPT code 77427](#) (Radiation treatment management, five treatments) from zero days to 90 days. Providers protested that they might provide this service multiple times during a course of treatment, and that a 90-day global period would contradict the code's CPT definition.
5. incorporated practice expense survey data from the **College of the American Pathologists**, which CAP says accounts for that extra 2 percent boost. But CMS delayed using supplemental surveys from the **American College of Cardiology** and the **American College of Radiology** until Medicare has a stable and workable solution for all specialties that are currently paid using the non-physician work pool. CMS also declined to incorporate survey data from the **American Society for Therapeutic Radiation Oncology**, because the ASTRO data didn't meet the requirements for precision according to the **Lewin Group**.
6. required that practices billing for outpatient therapy services "incident to" a doctor's services must meet certain staffing requirements. CMS says the individual furnishing therapy services must meet the qualification standards for a physical therapist or a "properly supervised" physical therapy assistant.