

Part B Insider (Multispecialty) Coding Alert

Reimbursement: Wave Goodbye To \$200 Million Next Year

Jump on the demonstration band-wagon to add to your payments

Good news: You'll be seeing a 1.5 percent increase in payments across the board for physician services next year, as well as important screening benefits.

Bad news: The 2005 physician fee schedule, which just came out in its final form, includes steep cuts to many drugs that physicians count on. Medicare is boosting payments for other services, including drug administration, to compensate. But doctors who dispense drugs can still expect to see a steep reduction next year.

The **Centers for Medicare & Medicaid Services** wanted to be sure Medicare was paying correctly for drugs as well as the services that went with them, CMS Administrator **Mark McClellan** told a media conference call Nov. 3. That's why CMS will base drug payments on Average Sales Price plus six percent starting in January, and also why the agency was so eager to take physicians' suggestions for new administration codes. (See PBI, Vol. 5, no. 39, p. 285.)

Look Forward To New Injection Codes

Medicare will pay for two separate chemotherapy drugs for the same patient on the same day. Also, CMS promised to change the status indicator on some injection codes. Currently, codes 90782-90788 have a status code of "T," meaning they're only payable if they're the only service the physician provides that day. But G0351-G0354, which will replace those HCPCS Codes, will have a status code of "A," meaning you can always bill them separately.

Another boost: Medicare will launch a one-year demonstration project in 2005 that all oncologists can join. To take part, you simply bill Medicare for some extra G-codes to report pain control management, fatigue reduction and minimization of nausea and vomiting.

The demonstration project and new administration codes definitely help balance out the drug cuts, says **Joseph Bailes**, an oncologist and co-chair of the **American Society for Clinical Oncology's** government relations task force. Originally, ASCO was predicting a \$500 million hit to cancer care in 2005. Now, the result looks more like a \$200 million to \$300 million reduction, says Bailes. "This is clearly better than it originally looked."