

## Part B Insider (Multispecialty) Coding Alert

### STUDIES & SURVEYS: GAO To Doctors--No Pay Increases? No Problem!

#### OIG beating the drums for drug pay cuts

Your payments from Medicare have stayed stagnant since 2002, when they suffered a 5.4 percent cut. Meanwhile, inflation has been roaring ahead.

But there is no evidence that your suffering is affecting Medicare patients yet, according to the **Government Accountability Office** (GAO-06-704).

The percentage of Medicare patients who reported -having a big problem- finding a personal physician or specialist stayed the same from 2000 through 2004. So did the percentage of beneficiaries who couldn't schedule an appointment promptly. Around 7 percent of beneficiaries nationwide reported access difficulties, the GAO said.

During the same period, more patients received physician services under Medicare--44.8 percent in April 2005 versus 41.3 percent in 2000. And every thousand patients received 3900 physician services, up from 3400 in 2000.

Also the number of physicians accepting new Medicare patients and the number of physicians who accepted Medicare as payment in full both stayed constant.

The GAO didn't look into whether patients received any health benefits from their increased use of physician services. But the GAO study does back up claims that doctors aren't being shortchanged by Medicare payments as they stand.

Meanwhile, the **HHS Office of Inspector General** (OIG) says Medicare could have saved \$16 million by using a different method of calculating prices for Part B drugs, in the second in a series of reports on drug payments (OEI-03-06-00370).

For 46 out of 341 HCPCS codes, Medicare was paying at least 5 percent more than the average manufacturer price for drugs. For 13 out of 46 drugs, Medicare was overpaying by at least 20 percent, the OIG insisted. Medicare pays between 50 and 90 percent too much for four drug codes.

Targeted drugs included Doxorubicin (J9000), Dacarbazine (J9130-J9140), Fluorouacil (J9190), Idarubicin (J9211) and gamma globulin (J1460-J1560).

The law gives Medicare the authority to adjust prices if the OIG finds that Medicare is overpaying by 5 percent or more for a particular drug. The OIG has been pestering the **Centers for Medicare & Medicaid Services** (CMS) to slash drug payments for months, but CMS has always responded that the OIG's data is out of date.

Twenty of the 46 drugs targeted in the new report were also eligible for cuts after the OIG's first report.