



## Final Rule Includes Phased in Cuts for Cardiology

The Centers for Medicare and Medicaid Services (CMS) today released its 2010 Medicare Physician Fee Schedule final rule, which includes policy proposals that will significantly reduce payments for cardiovascular-related services. While CMS has attempted to mitigate the impacts of the cuts by spreading them out over a four-year period, the impact of the cuts is still enormous both for 2010 and beyond. Cuts of this magnitude---whether enacted this year or spread over four---cannot be absorbed and we will continue to fight the implementation of this data until a rigorous review is conducted.

The ACC understands the very real impacts these cuts will have on your practices, your staff and your patients. The College is exploring all options and staff and leaders are working together to help you understand all of your options. Below is a high-level summary of the policy changes finalized in the rule. In addition, we've also provided links to the tools and resources available to you now.

More information over the coming weeks will be provided in *Cardiology* magazine, *ACC News* and *The ACC Advocate*. Please also plan to join ACC CEO Jack Lewin and President Alfred Bove, M.D., F.A.C.C., for an all-member call on Nov. 12 from 4:00 to 5:30 p.m. (EST) to discuss the 2010 rule. To RSVP for the call, [click here](#).

### **RULE HIGHLIGHTS:**

**Practice Expense:** Despite the hundreds of calls and letters from you, members of Congress and patients, CMS has chosen to incorporate the results of the American Medical Association's Physician Practice Information Survey into its formula for calculating practice expense relative value units (RVUs). In a slight change from the proposed rule, the agency has said the cuts will be phased in over a four-year period versus all at once. With the exception of evaluation and management services, nearly all services that cardiologists perform will see cuts ranging from 10 percent to more than 40 percent for individual services phased in over 4 years. A few key examples for 2010 alone:

- SPECT Myocardial Perfusion Imaging (78452) -- 36 percent cut
- Transthoracic echo with spectral and color flow Doppler (93306) --10 percent cut
- Coronary Stent (92980) -4 percent cut
- EKG (93000)-- 5 percent cut
- Level 4 established patient office visit (99214)-- 7 percent increase

As mentioned above, the ACC is exploring several options for stopping the implementation of these cuts. CMS' decision to phase-in the cuts, while not what we would have hoped, is due in large part to your tremendous efforts over the last few months. Your actions clearly had an impact and we strongly encourage you to continue to email your congressional representatives and CMS detailing the ramifications of these cuts as we move into the next phase of challenging these cuts.

### **Bundled Codes for Myocardial Perfusion/SPECT Imaging**

CMS's continued pressure to bundle together imaging services reported with multiple codes has now hit myocardial perfusion imaging. In 2010 myocardial perfusion imaging/SPECT studies including wall motion and ejection fraction will now be reported with a single code. CMS decided to substantially reduce the payment for myocardial perfusion imaging as part of this rule by reducing both the physician work value and the practice expense value. To make matters worse, because there is a new code for the service, CMS apparently is not applying the four-year transition of the practice expense cuts and instead is using the fully implemented value. The result is a 36% cut in payment for 2010. This change alone accounts for more than one-third of the projected payment cut to cardiology. ACC will begin immediately to pursue strategies to mitigate this cut. Specifics on the new codes and tips on how to work with health plans to transition to the new codes will be emailed to you next week and also included in the November issue of *Cardiology* magazine.

**Consultations:** Payments for consultations provided in office and hospital settings are eliminated under the final rule. The RVUs assigned to these codes will be redistributed to office and hospital visits and services now billed as consultations will be billed as hospital or office visits. This will reduce payments to varying degrees for consultation services.

**Malpractice:** CMS has chosen to update the malpractice RVUs with data from a new survey of specialty-level malpractice premiums. In addition, CMS has proposed a new method for determining malpractice RVUs for technical component services. The proposed new malpractice RVUs would reduce cardiology payments by 1 percent. However, the impact will vary depending on the mix of services provided.

**Equipment utilization:** CMS has finalized its proposal to change the agency's formula for calculating the per-procedure cost of diagnostic medical equipment worth more than \$1 million. The proposal would assume that all diagnostic

equipment with an acquisition cost greater than \$1 million is used 90 percent of the time an office is open, thus driving down the practice expense RVUs for services using that equipment. Within cardiology, cardiac MR and cardiac CT services will be subject to payments set based on this utilization assumption. CMS did agree not to apply this cut to equipment for non-hospital cardiac catheterization services.

**SGR:** As required by current law, the final rule includes a 21.5 percent reduction in Medicare Physician Payment as of Jan. 1, 2010. This cut is **in addition** to the payment reductions that result from the proposed policy changes described above. In short, there could be as high as a 30 percent cut in Medicare payments for cardiology. However, as in previous years, Congress is expected to pass a one to two year fix this fall. CMS did finalize its proposal to remove physician-administered drugs from the accumulated SGR debt, which makes a fix to SGR less expensive.

### **WHAT'S NEXT**

Taken together with the payment cuts cardiology has already experienced, CMS' final rule represents a grave threat to cardiology practices and to patient access. The consequences, whether intentional or not, are already being felt. The ACC and its partners in the cardiology community are prepared to help you and your practice navigate these challenging times, while also pulling out all the stops to stop the practice expense cuts and find real solutions to payment. The following resources are available to you now. Your feedback on the tools and resources you'd like to see in the coming months is also appreciated. Please email [advocate@acc.org](mailto:advocate@acc.org) with your thoughts.

- **[Practice Management Toolkit](#):** This newly updated site contains information designed to help you best manage your practice. While continually being updated, you'll find information on practice solutions, health IT, coding and billing, working with health plans, quality and educational tools, and more.
- **[Medicare Provider Enrollment Website](#):** This CMS site provides you information about Medicare enrollment. The ACC will provide information to members on options in future communications.
- **[ACC CardioAdvocacy Network / ACC Political Action Committee](#):** The ACC's CardioAdvocacy Network (CAN) keeps you up to date on ACC's grassroots efforts and ways you can get involved. Currently the site contains links to a sample congressional letter regarding the final rule. The ACC Political Action Committee (PAC) is another way to ensure the cardiovascular voice is heard on Capitol Hill. There's no better time to get involved with either or both of these key advocacy programs.