

CMS Retracts the MPPR PC Policy Relating to Group Practices for 2012

By Adrienne Dresevic, Esq. and Carey F. Kalmowitz, Esq.

In December 2011, the Centers for Medicare and Medicaid Services (CMS) announced a crucial policy rescission which will benefit radiology providers and suppliers. In contrast to its earlier directive published in the 2012 Physician Fee Schedule Final Rule (Final Rule), CMS will not apply the Multiple Procedure Payment Reduction (MPPR) policy to the professional component (PC) of certain diagnostic imaging services furnished by physicians within the same group practice. CMS stated that “operational” concerns will prevent the application of the MPPR PC policy to group practices beginning January 2012. The Final Rule MPPR PC policy in relation to certain diagnostic imaging services furnished by the same physician, rather than by a group practice, will remain unchanged as a result of this policy retraction.

Background: Final Rule Instituted MPPR PC Policy

By way of background, the Final Rule, published by CMS on November 28, 2011, laid out a number of significant changes of interest to radiology providers and suppliers. Notably, the Final Rule expanded the MPPR policy to the PC of certain advanced imaging tests (ie, CT, MRI, and ultrasound services) when (i) furnished to the same patient, (ii) by the same physician or group practice, (iii) during the same session on the same day. Under the longstanding imaging services MPPR policy, full payment is made for the technical component of the highest paid procedure, and payment is reduced by fifty percent for each additional procedure when the MPPR standards for payment reduction are met. Likewise, under the Final Rule, the PC payments for the second and subsequent advanced imaging services were to be reduced by twenty-five percent while the highest PC payments would continue to be paid in full. The MPPR PC policy payment reduction under the Final Rule was decreased by 50% (from 50% to 25%) as compared to the amount recommended by the 2012 Physician Fee Schedule Proposed Rule issued in July 2011. CMS believed this payment decrease properly captured physician work efficiencies and anticipated further expansion of the policy in the future. The published changes to the MPPR policy were to become effective beginning January 1, 2012.

Subsequent to its publication, the MPPR provision of the Final

Rule quickly received extensive criticism from the radiology community. Many opponents of the change continued to disagree with CMS’ assumption that great work efficiencies were achieved when advanced imaging services were provided to the same patient, by the same physician or group practice, during the same session on the same day. Further, many critics noted that the Proposed Rule did not apply the MPPR PC policy to physicians within the same group practice. Therefore, despite decreasing the MPPR PC policy payment reduction, the Final Rule expanded the impact of the decision by extending its application to the same group practice rather than solely to the same physician.

CMS Retracts Part of the MPPR PC Policy

In the wake of the severe criticism, CMS quickly announced that the MPPR PC policy will not be as extensive as pronounced by the recently published Final Rule. In a December 2011 Medicare Learning Network® MLN Matters® Article (#MM7671), CMS acknowledged that beginning in calendar year 2012, “the PC payment will be reduced ... for subsequent procedures furnished to the same patient, by the same physician, in the same session” as foretold by the Final Rule. However, CMS also stated that “[a]lthough the final rule also applies [the MPPR PC] policy to procedures furnished to the same patient in the same session by physicians in the same group practice, CMS is not applying the imaging MPPR to group practices for 2012 due to operational considerations.” As a result, both hospital and office practices will be positively impacted by the recently announced change.

Moving Forward

Although the recent CMS retraction relating to the MPPR PC policy is significant, the changes which will be brought about by the MPPR provision of the Final Rule without a doubt will be felt sharply by the radiology community. In response, radiology providers and suppliers should consider asking (or continue to urge) their Representatives to support the “Diagnostic Imaging Services Access Protection Act of 2011” (H.R. 3269). The bill, now co-sponsored by 150 members of Congress, attempts to eliminate the entire PC of the MPPR policy pre-

scribed by the Final Rule. If H.R. 3269 is not enacted, the MPPR policy will be applied to the CT, MRI, and ultrasound services when (i) furnished to the same patient, (ii) by the same physician (iii) during the same session on the same day as provided by the Final Rule and recently reiterated by CMS.

Crucial Dates

Since the MPPR PC policy will apply to certain diagnostic imaging services provided by the same physician without intervention from Congress, providers and suppliers of radiology services should take note of some fast-approaching dates. The Final Rule becomes effective on January 1, 2012 as scheduled. Further, the implementation date is set for January 3, 2012.

Adrienne Dresevic, Esq. graduated Magna Cum Laude from Wayne State University Law School. Practicing healthcare law, she concentrates in Stark and fraud/abuse, representing various diagnostic imaging providers, eg, IDTFs, mobile leasing entities, and radiology and multi-specialty group practices.

Carey F. Kalmowitz, Esq. graduated from NYU Law School. Practicing healthcare law, he concentrates on corporate and financial aspects, eg, structuring physician group practice transactions; diagnostic imaging and ancillary services, IDTFs, provider acquisitions, CON, compliance, and Stark and fraud/abuse.

The authors are founding members of The Health Law Partners, P.C. and may be reached at (248) 996-8510 or (212) 734-0128, or at www.thehlp.com.

Commentary

News from the JRCERT

By Tim Ludwig, CRA, FAHRA

Happy New Year once again from The Joint Review Committee on Education in Radiologic Technology (JRCERT). As a reminder, the JRCERT promotes excellence in education and enhances the quality and safety of patient care through the accreditation of educational programs. The JRCERT is the only agency recognized by the United States Department of Education for the accreditation of traditional and distance delivery educational programs in radiography, radiation therapy, magnetic resonance, and medical dosimetry. Programs accredited by the JRCERT must demonstrate that they are in substantial compliance with the relevant JRCERT accreditation standards.

AHRA nominates a member to serve on the JRCERT's board of directors and, for the past five years, I have been that person. As a board member, I am responsible for reviewing all programs that are being considered for accreditation. The JRCERT board of directors are the only ones who can issue an accreditation decision. During the October 2011 board meeting, the board took accreditation action on 57 programs. In addition, there were interim reports on 31 programs in which the directors took action.

Some interesting statistics of the JRCERT include the number and types of programs that have been awarded accreditation. As of December 2011 there are: 641 radiography programs accredited by the JRCERT, 81 radiation therapy programs, 16 medical dosimetry, and 4 magnetic resonance programs. These programs are also categorized by type of institution, such as four year college/university, community college, technical college, hospital based, military/government, proprietary, or consortium. The degree awarded also varies from certificate, associate degree, baccalaureate, to master degree. I invite you to visit the JRCERT website to review the Annual Report.

One of the great benefits of programmatic accreditation from the JRCERT is that educational programs are evaluated at every level by people who have experience in the radiologic sci-

ences. The CEO of the JRCERT, the accreditation specialists in the office, JRCERT site visitors, and the majority of the board of directors carry the ARRT distinction proudly. In fact, only the public member and the physician (radiologist or radiation oncologist) on the board, two members out of eight, are not ARRT certified.

In addition to accreditation action, the board of directors also handles general business duties during a board meeting. At the October meeting, the board adopted the final draft of the Limited X-Ray Machine Operator (LXMO) Standards with an implementation date of January 1, 2012. The LXMO standards will ensure that those programs that obtain JRCERT accreditation must meet high standards.

The JRCERT is also proud to announce that the new electronic accreditation system should go live around the first of March. This has been a much anticipated event and a project that has taken much time to build. The addition of this system should make it much easier for programs to communicate with the JRCERT. Along with the electronic system will come a complete remodeling of the JRCERT website, making it much more user friendly.

There were two personnel announcements at the October board meeting. The JRCERT is proud to announce the addition of Ms. Kelly Brown, MPA, RT(T) as an accreditation specialist. Kelly has been an ARRT certified radiation therapist since 2001 and is coming to the JRCERT from her most recent position as program director for the radiation therapy program at the University of Michigan-Flint. Also, Penny Olivi, MBA, RT(R), CRA, FAHRA was elected as director from nominees provided by the AHRA to fill my term when it expires at the conclusion of the April 2012 board meeting. Of course, Penny needs no introduction to those of us associated with AHRA. Penny is the senior radiology administrator at the University of Maryland Medical Center and has served in more roles than we could possibly list for AHRA, including president. Penny was also a clinical educa-