AACE LEGISLATIVE FACT SHEET

PROTECTING PATIENT ACCESS TO HIGH QUALITY ENDOCRINE OFFICE-BASED IMAGING SERVICES – SUPPORT PASSAGE OF H.R. 1293

REQUEST: AACE requests co-sponsorship and active support H.R. 1293, "Access to Medicare Imaging Act of 2007," introduced by Representative Carolyn McCarthy (D-4th-NY). H.R. 1293 calls for a two-year moratorium on the Deficit Reduction Act (DRA) imaging cuts and completely excludes ultrasound and x-ray procedures from the DRA imaging cuts.

BACKGROUND: Section 5102 of the Deficit Reduction Act of 2005 (DRA) requires that the Medicare payment for the technical component (e.g., equipment, non-physician personnel, supplies, and overhead) of an imaging service to be set at the Hospital Outpatient Department (HOPD) payment rate, if the HOPD rate is lower than the Physician Fee Schedule (PFS) payment rate. This change in payment policy, effective January 1, 2007, was included without any public deliberation by either body of Congress. There has been no analysis of the potential impact of this change in payment policy; however, the policy impact is significant for the endocrinologist performing imaging services in their office.

ISSUE: The DRA imaging cuts, combined with the recent reductions in the work values and practice expense for certain procedures under the Medicare Physician Fee Schedule, threaten patient access to high quality endocrine imaging services including ultrasound guidance performed as part of a minimally invasive biopsy for thyroid nodules and dual energy x-ray absorptiometry (DXA) used for the prevention, diagnosis and treatment of osteoporosis. Significant payment cuts for imaging services will force many endocrinologists to discontinue providing these services to Medicare patients in their offices because the reimbursement rate is far below the actual cost to perform these procedures.

- Patient access to endocrine office based imaging services will be reduced and quality of care will be compromised due to:
  - **longer wait times** for services performed in a hospital outpatient department,
  - **higher costs to beneficiaries** because co-pays are 40% in the hospital outpatient department vs. 20% in the physician office,
  - **patients losing the benefit of having their physician's knowledge** of their medical history integrated into the interpretation of test results, and
  - **lack of providers in rural and underserved areas** forcing beneficiaries to drive long distances for imaging services. The inconvenience or hardship imposed may create a barrier to care that is too significant for patients to overcome.

CONSEQUENCES: The value of important imaging services, such as DXA used for osteoporosis prevention, diagnosis and treatment, have been recognized and promoted by the federal government. Osteoporosis screening is a preventive service highlighted in the "Welcome to Medicare" visit announcement and performance of a central DXA measurement is listed as a quality measure under the Medicare Voluntary Physician Reporting Program (PVRP) and the new Physician Quality Reporting Initiative (PQRI). Creating barriers to these services are in direct conflict with, and undermine the success of governmental initiatives to increase prevention and early detection efforts. Patients will fail to be tested, diagnosed and treated, resulting in more serious and prolonged illness, and potentially the loss of independence and/or death, while further burdening the Medicare budget and the nation's health care system.