

American Society of Interventional Pain Physicians

" The Voice of Interventional Pain Management "

81 Lakeview Drive, Paducah, KY 42001
Tel.: (270) 554-9412; Fax : (270) 554-8987
[E-mail:asipp@asipp.org](mailto:asipp@asipp.org)

November 4, 2009

Dear Friends:

With so much turbulence in the U.S. healthcare in general and interventional pain management (IPM) in particular, I wanted to update you on some of the good news with regards to final rule on physician payment system, ASC and HOPD, payment systems and some other news. Of course there continues to be bad news.

PRACTICE EXPENSE:

The great news is that we have finally won our 10-year fight on increasing practice expense (PE) value. As many of you have participated, we had a separate survey conducted recently for IPM (some pain and spine organizations opposed and ASA supported). As a background, IPM procedures were paid with the same PEs as anesthesiology. With multiple negotiations and lobbying, we increased it to all physician payment. The old (2009) value was for anesthesiology, \$19.76 and interventional pain medicine, as well as pain medicine, \$59.04. With the new survey, this has been increased to \$29.36 for anesthesiologist (49% increase) and for interventional pain medicine it increased to \$156.79 (166% increase), whereas for pain medicine, it increased to \$122.42 (107% increase).

For 2010, for purpose of establishing the PE, relative value units (RVUs), CMS had proposed to include data about physicians' practice costs from a new survey, the Physician Practice Information survey, designated and conducted by the American Medical Association. We were able to get two separate surveys for pain medicine and IPM, thus, we were able to get higher values for IPM and preventing free flow of cuts. While CMS is finalizing the proposal, it will phase it in over a 4-year period – may see additional benefits for 3 more years.

	Previous Indirect PE/HR	Final Rule Indirect PE/HR	Previous Indirect %	Final Rule Indirect %
Anesthesiology (-05)	\$19.76	\$29.36	56%	82%
Interventional Pain Management (-09)	\$59.04	\$156.79	67%	70%
Pain Medicine (-72)	\$59.04	\$122.42	67%	70%

CMS PHYSICIAN PAYMENT UPDATE

CMS on October 30, 2009, announced final changes to policies and payment rates for services to be furnished rearing calendar year 2010 by over one million physicians and non-physician practitioners who are paid under the Medicare physician fee schedule.

Under the final rule, consistent with current law, CMS will move forward in implementing the rate reduction of 21.2% for CY 2010, instead of 21.5% projected in the proposed rule. However,

since 2003, Congress has acted towards significant reductions in Medicare physician payments, with the latest of these interventions occurring last July via the Medicare Improvements for Patients and Providers Act of 2008. This Act provided physicians with a 0.5% update for the remainder of 2008, followed by a 1.1% update through the December 31, 2009, thereby preventing what was, at the time, a projected 10.6% Medicare payment reduction.

CMS has stated that, “the administration tried to avert the pending fee schedule cut in FY 2010 budget proposal that it submitted to Congress, and remains committed to repealing the SGR.” In addition, CMS is finalizing its proposal to remove physician-administered drugs from the definition of “physicians’ services” for purposes of computing the physician fee schedule update. However, this decision will not affect payments for services during 2010. When this goes into effect, it will have a positive effect on future payment updates.

CMS is also finalizing its proposal to stop making payment for consultation codes, other than the G codes that are used to bill for telehealth consultations, and to redistribute the resulting savings to increase payments for the existing evaluation and management (E/M) services. However, CMS also states that it will adjust the payment for the surgical global period to reflect the higher value of the office visit furnished during the global period.

Taking all changes in the final rule with the comment period into account, the CMS projects that payments to general practitioners, family physicians, internists and geriatric specialists will increase by between 5% and 8%, prior to application of the negative update required by the SGR.

CMS also is implementing a requirement that supplies of the technical component of advanced imaging services be accredited beginning January 1, 2012. The accreditation requirement will apply to mobile units, physicians’ offices, and independent diagnostic testing facilities that create the images, but will not apply to physician who interprets them. **This is what we wanted for IPM procedures should be performed by well trained and qualified physicians.** However, we were defeated by multiple forces inside and outside.

CMS provides a number of provisions to promote improvement in quality of care and patient outcomes through revisions of the electronic prescribing incentive program (E-Prescribing Program) and the Physician Quality Reporting Initiative (PQRI). Eligible professional or group practices that meet the requirements of each program will be eligible for incentive payments for each program equal to 2% of their total estimate allowed charges further reporting periods. **There are no measures provided for IPM.**

Multiple changes made are related to facet joint interventions where no fluoro code will be reimbursed; however, there is increase of 14% in RVUs, which will translate into increased payments without a cut. For other procedures, the controversy still continues with regards to the fluoroscopy.

The news is not as bad as expected for office-based procedures. Cuts are only for facet joint injections for now. Other procedures see small increases.

HOSPITAL OUTPATIENT DEPARTMENT (HOPD), AND AMBULATORY SURGICAL CENTER (ASC) POLICIES.

On October 30, 2009, CMS issued a final rule with comment period that updates payment policies and rates for both HOPD and ASC for calendar year 2010.

To view the physician payment rates with and without proposed cut, go to: www.asipp.org/feeschedules.html

HOPD

The CMS presents that the aggregate Medicare payments to providers under the OPS to hospitals in CY 2010 will be \$32.2 billion, a \$1.9 billion increase over projected payments in CY 2009 – a 6% increase.

To view HOPD payment rates for interventional: www.asipp.org/feeschedules.html

AMBULATORY SURGERY CENTERS:

Since January 2, 2008, ASC's have been paid under a revised ASC payment system that both aligns payments in ASCs and HOPD settings by basing ASC payment rates on the APC relative rates for similar services and extends payment to more surgical services and ASC that under the prior payment system. However, due to efforts of ASIPP, CMS to minimize the impact of the revised payment system, calculated ASC payment rates under the new rate setting methodology being phased in over 4 years. CY 2010 is the third year of the transition with a blending rate of 25% of ASC rate of 2007 and 75% of 62% of hospital outpatient rate.

There will be significant difference in payments for interventional pain procedures with overall cuts for top 9 IPM codes are from 11.1% to 13.4% from 2007 and for primary codes and 42% to 69% for add on codes. However, some procedures also get significant increases. The decreases from 2009 to 2010 are 3.6% to 6.1% for primary codes and 52% to 57% for add on codes (for top 9 IPM codes)

To view the new payment rates: www.asipp.org/feeschedules.html

The bad news is that discography is still not covered in ASC, whereas hospitals get bigger portion and much higher increase in the payment.

MEDICARE PREMIUMS AND DEDUCTIBLES FOR BENEFICIARIES

The bad news is not just for us, but it also extends to Medicare beneficiaries so we cannot look for any help from them. Part B monthly premiums for 2010 will increase from \$96.40 to \$110.50. It appears that, however this will affect only 27% of the beneficiaries, who are not protected under old harmless provision in the law. Ninety-nine percent of Medicare beneficiaries do not pay a premium for Part A services because they have enough quarters of Medicare-covered employment. The 1% will pay \$461 per month for 2010, an increase of \$18 from 2009.

Thank you. As you see, we are at cross-roads, as it is essential to preserve the IPM. Please actively participate and take ownership of the specialty for future.

COMMENTS:

CMS Physician Payment Update

Comment Period: No later than 5 p.m. EST on December 29, 2009.

Comments can be sent electronically from this link:

<http://www.regulations.gov/search/Regs/home.html#submitComment?R=0900006480a4eb34>

**Hospital Outpatient Prospective Payment
System and CY 2010 Payment Rates; Changes to the Ambulatory Surgical Center
Payment System and CY 2010 Payment Rates**

Comment Period: No later than 5 p.m. EST on December 29, 2009.

Comments can be sent electronically from this link:

<http://www.regulations.gov/search/Regs/home.html#submitComment?R=0900006480a4ebcf>

Laxmaiah Manchikanti, MD

Chief Executive Officer and Chairman of the Board, ASIPP and SIPMS
Medical Director, Pain Management Center of Paducah
Associate Clinical Professor
Anesthesiology and Perioperative Medicine
University of Louisville, Kentucky

2831 Lone Oak Road
Paducah, KY 42003

Phone: 270-554-8373 ext. 101

Fax: 270-554-8987

E-mail: drm@asipp.org

LM/tmh

To view some of Dr. Manchikanti's publications go to:

<http://www.ncbi.nlm.nih.gov/sites/entrez?cmd=search&db=pubmed&term=manchikanti>

“Success has nothing to do with what you gain in life or accomplish for yourself. It's what you do for others.” - *Danny Thomas*

“A critic enjoys a tremendous advantage if he has done nothing himself.” - *Antonie Rivarol*