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Radiology Trends

Did You Know?

Using diffusion-tensor MRI to identify damaged white matter in the brain may help identify the early onset of Alzheimer's disease, according to a new study published in *Radiology*.

CMS Reveals New Data On Hospital, Physician Pay

The federal government continues to roll out Medicare claims and payment information in an effort to make the opaque U.S. healthcare system more accountable. Providers have embraced the transparency but also renewed calls to make sure the data makes sense for patients. CMS released three new sets of data earlier this month that detail how much hospitals billed as well as received for inpatient and outpatient services, and how much Medicare paid physicians in 2013. These numbers show wide variation. Data on hospital charges, both inpatient and outpatient, first came out in the summer of 2013, and Medicare physician data was released last spring. Under the President's administration, CMS has also published information on Medicare Part D payments and money exchanged between physicians and industry.

The latest data shows what hospitals charged and what Medicare paid those hospitals for 100 of the most common inpatient stays and the 30 most common outpatient procedures. The inpatient data covers more than 7 million discharges and \$62 billion of Medicare money. Physician data encompasses 950,000 physicians, nurse practitioners and other providers and \$90 billion of Medicare funds. Spending on hospitals and physician services makes up a majority of U.S. healthcare expenses. The AMA cautioned the latest release still has 'significant shortcomings,' namely that the numbers don't provide context. "We continue to urge CMS to improve upon its data releases so that patients and physicians can actually use the information to better work together to improve quality, improve health outcomes and reduce costs," American Medical Association President Dr. Robert Wah said.

Radiologists Included In Small Group Of Highest Medicare Billers

A small band of physicians and individual medical providers consistently receive the highest payments from Medicare, according to a recent report from CMS detailing its payments to 950,000 physicians, individual medical providers and certain healthcare companies in 2013. The records, released June 1, cover \$90 billion in payments, including those paid to entities such as clinical laboratories. The top 1 percent of

billers to Medicare in 2013 was paid 17.5 percent (\$13.1 billion) of all payments to individual providers for that year, similar to 2012, when the same proportion of physicians and other individual providers took in 16.6 percent of the federal program's payments. About 70 percent of the approximately \$9 billion Medicare paid to individual providers for administering drugs went to the top 1 percent of billers, according to

the report. The top billers to Medicare range from physicians who provide complex medical care to the sickest patients to those who have expanded the scope of their practices to include expensive laboratory testing or other add-on services, according to *The Wall Street Journal*. Radiologists came in 9th out of the 10 specialty groups that make up the top 1% list.

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Nonprofit Hospitals Begin To See Financial Upswing

Revenue growth and declining annual expense growth are helping paint a better financial picture for nonprofit hospitals, according to preliminary fiscal year 2014 medians for nonprofit and public hospitals from *Moody's Investors Service*.

Annual median revenue growth for nonprofit hospitals hit an all-time low in 2013 at 3.9 percent. Preliminary numbers are showing some improvement in that area with annual median revenue growth increasing to 4.7 percent in fiscal 2014. The revenue growth is attributable to a number of factors, including continued consolidation in the nonprofit sector and the initial influence of Medicaid expansion being realized.

The preliminary medians also show the trend of declining annual expense growth at nonprofit hospitals is continuing. In fiscal 2012, annual expense growth was 5.5 percent, and that number fell to 5 percent in fiscal 2013. In 2014, annual expense growth fell again to 4.6 percent. The ongoing shift of patient care to lower cost settings appears to have contributed to the expense growth slowdown.

The preliminary medians are based on fiscal 2014 audited financial statements for 48 percent of Moody's-rated portfolio. More hospitals will be included in Moody's final report, which will be issued later this year, and the rating agency expects final medians to show weaker operating performance than the preliminary medians.

Coding and Compliance Tips by Lori Shore, CPC, RCC

Billing For Physician Extenders

Billing for physician extenders can be confusing. The key to the whole issue is understanding the acronyms and the Medicare guidelines. Medicare will only credential Nurse Practitioners (NP) and Physician Assistants (PA). Radiology Practitioner Assistants (RPA) are *not* recognized by Medicare and therefore cannot be credentialed. Services performed by NP and PAs are billable to Medicare under his/her own credentials. These services are payable at 85% of the Medicare Physician Fee Schedule. The services NP and PAs can perform are based on state certification and hospital bylaws. They are generally allowed to perform percutaneous procedures and the associated guidance but these services *MUST* be billed under their own provider number. The work of all physician extenders requires physician supervision, but billing under the physician's name is *not* allowed.

The work of Radiology Practitioner Assistants (RPA) is *not* billable to Medicare Part B even when done under the supervision of a radiologist. Any payment for services of non-physician staff in a hospital is made under the Medicare hospital prospective payment system (PPS).

Payment for the work of a Physician Assistant (PA) can only be made to his/her employer, even though he/she may have his/her own provider number. The employer can be an individual or an organization.