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Radiology Trends

House GOP Unveils Obamacare Replacement Plan

House Republicans released a plan to repeal the Affordable Care Act and replace it with a variety of measures previously endorsed by party leaders. The 37-page proposal, part of a series of proposals introduced by the GOP leadership entitled "A Better Way: Our Vision for a Confident America," included oft-discussed ideas such as: block-granting Medicaid, raising Medicare eligibility age to 67, reforming medical liability laws, allowing health insurers to sell across state lines and expand access to health savings accounts. "This plan would provide more choice, greater flexibility for consumers, protect the most vulnerable, spur innovation of new medicines and therapies, and preserve Medicare for future generations," House Majority Leader Kevin McCarthy (R-Calif.), said in a statement. "Obamacare is failing, but Republicans are ready with a plan to increase access to affordable, high-quality care for more Americans." The proposal also suggest shutting down the Center for Medicare and Medicaid Innovation (CMMI), a part of the Centers for Medicare & Medicaid Services that develops demonstration programs such as those involving accountable care organizations and other alternative payment methods.

Did You Know?

It's safe to track patients with nonsolid nodules detected on CT lung screening with annual low-dose CT---mitigating the need for biopsy according to a new study in *Radiology.*

Risk-Based Reimbursement Is Under Construction

While CMS contends that nearly 30% of its reimbursement to hospitals is tied to some level of performance, providers themselves say they are deriving a minuscule amount of their net patient revenue from risk-based contracts rather than fee-for-service medicine. Hospitals are either not eager to bear downside risk because they are afraid, or they cannot find the health plans willing to share the data needed to negotiate contracts perceived as fair to both parties, said Len Nichols, director of the Center for Health Policy Research and Ethics at George Mason University in Fairfax, Va. "Both phenomena are operational across America today," Nichols added.

Hospitals appear to have good reason to be skittish about taking on risk-based contracts, according to a recent survey of 142 providers by accounting and consulting giant KPMG. The firm found that 52% expected their value-based contracts to lead to a drop in operating profit or surplus. That contrasted with 47% two years ago. Of those expecting some decline in operating profit, 27% expected that drop to be 10% or more, according to the survey. Only 10% of the 142 respondents felt that value-based contracts would produce an improvement in operating profit of more than 10%.

Hospitals will get more comfortable with risk-based contracting when they finally figure out what their real costs of care are per patient episode rather than service delivered, said Dion Sheidy, KPMG's advisory leader for healthcare. That means closely managing care preparation, diagnostics, treatment, post-treatment and pharmaceutical costs to understand the payment they can afford to accept, Sheidy said. That's still a work in progress at most health systems, though. "I think we'll see real traction on risk-based payments within three to five years," Sheidy said.

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MACRA Rule Raises Patient Privacy Concerns

Physicians and healthcare organizations have flooded CMS with concerns about MACRA, the proposed changes to the way Medicare pays providers. They say the rule puts patient data at risk and could actually push providers away from participating in payment models meant to lower costs while increasing quality of care.

The Medicare Access and CHIP Reauthorization Act aims to consolidate three existing payment models: the Physician Quality Reporting System, the Physician Value-based Payment Modifier and Medicare's incentive program for achieving meaningful use of electronic health records.

CMS agency officials said the new consolidated program will offer physicians greater simplicity and flexibility, providing two paths for physician payments when it goes into effect in 2019. Physicians can choose to participate in the Merit-based Incentive Payment System, or MIPS, or have a significant amount of their revenue generated under a qualifying alternative payment model, or APM. The agency received nearly 4,000 comments by the June 27 deadline. The majority of comments were critical of the proposed rule. "Who gives CMS the right to private medical data from all patients' charts 'regardless of payer?' " Dr. Kristin Story Held, a Texas-based ophthalmologist says in a comment. "Contents of patient's medical records are confidential and constitute protected health information to which you have no right."

Experts say providers are raising a valid point. "Nothing in MACRA gives CMS statutory authority to require data from other payer enrollees be submitted," said Bob Atlas, president of the EBG Advisors unit of healthcare law firm Epstein Becker and Green. Others say the rule could discourage providers from participating in value-based purchasing initiatives. For instance, to qualify for a 5% bonus, providers must participate in models that require significant financial risk. "Although the clinicians participating in shared savings only models are working hard to support CMS' goals to transform care delivery, under CMS' proposal they will not be recognized for those efforts," Tom Nickels, the American Hospital Association's executive vice president of government relations and public policy, said in a statement. "We fear this could have a chilling effect on experimentation with new models of care among providers that are not yet prepared to jump into two-sided risk models." Providers across the country said the 963-page rule is simply too complex to under-stand, making it difficult to adhere to.

Coding and Compliance Tips by Lori Shore, CPC, RCC

July is the New September

A lifetime ago, before many of the new residents were born, I was a teacher for a few years. September was the beginning of the school year when all the new rules had to be learned and enforced. Now July is the beginning of new careers, residencies, and internships. New rules still need to be learned and enforced. The only difference is there are now financial penalties for non-compliance, in many cases. It is important to make sure that new radiologists, residents and interns are well versed in the various government "incentive" programs for which your practice participates. After all, the PQRS performance of a resident will be reflected in the supervising physician's performance, as well as his/her value-based modifier score.

There is also the issue of ICD-10-CM. The unprecedented specificity was undoubtedly not required in medical school, as this new crop of doctors grew up with ICD-9. For that matter, we ALL grew up with ICD-9 and are all learning to swim in the uncharted waters together. It's like walking into a foreign language class with a teacher who refuses to speak English. Eventually something will start to make sense, but in the beginning it's just a garbled mess. Please take the time to set up your new doctors, residents and interns for success. Help them with their templates to make sure they include the required PQRS measures for your practice. Review the required specificity for commonly used ICD-10 codes. Acquaint them with the resources provided by MBMS. We currently have webinars on our website (www.mbms.net) for PQRS 2016 as well as ICD-10. If you don't see what you need, please ask.