### 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*.

### 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 & 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.

### 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 to-day," 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.
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.