Study Reveals Medicare Imaging Payments Have Declined

The proportion of Medicare payments due to noninvasive diagnostic imaging has followed a downward trend since 2006, which suggests that it's time to take imaging off the list of services that need cost containment, according to a study published in the Journal of the American College of Radiology.

Researchers from Thomas Jefferson University Hospital in Philadelphia found that total Medicare-approved payments for all physician services under the physician fee schedule peaked in 2006 but began to decline thereafter. "During recent years, total Medicare spending for all physician services under the Medicare Physician Fee Schedule has increased," wrote the group led by Dr. David C. Levin. "During the same time period, Medicare physician spending for noninvasive diagnostic imaging has decreased. The result is that the share of Medicare physician spending that is attributable to noninvasive diagnostic imaging has declined substantially."

Dr. Levin and his colleagues Laurence Parker, PhD, and Dr. Vijay Rao used Medicare Part B Physician/Supplier Procedure Summary Master Files for 2003 to 2015 to determine the total approved payments to physicians for all medical services for each year. They selected all procedure codes for noninvasive diagnostic imaging and calculated aggregate approved payments to physicians for those codes under four provider categories: radiologists, cardiologists, all other physicians, and independent diagnostic testing facilities/multispecialty groups. Among the results: total Medicare-approved payments for all physician services increased from $92.73 billion in 2003 to $132.85 billion in 2015. Additionally, by 2015 the shares of total physician fee schedule payments to physicians attributable to noninvasive diagnostic imaging were 3.2% for radiologists. "[We] believe that given the crucial role played by imaging in diagnosing so many of the important diseases in this country, it is important for payors and policymakers to recognize that the proportion of payments made to physicians for imaging services has continuously decreased in recent years," the group concluded.

It All Begins Again
Coding and Compliance Tips by Lori Shore, CPC, RCC

Just as you breathed a sigh of relief at completing the first year of the Merit-based Incentive Payment System (MIPS) requirements for Quality and Clinical Practice Improvement Activities (CPIA), we are nearly one quarter into the 2018 program year. The big difference for 2018 is that it is now mandatory to report for a full year. If you haven’t already done so, there are many decisions to be made to make sure that you are capturing all of the data necessary to successfully report for the new reporting period. The biggest decision will be to choose a reporting method. This will determine which options are available for you to report. Your options remain the same as 2017 with the Quality Clinical Data Registry (QCDR) offered through the ACR, the National Radiology Data Registry (NRDR), being the most popular. This option also gives you the most flexibility in that it allows you to report both traditional and non-traditional MIPS measures. The NRDR also allows you to attest to your CPIAs directly in the portal, at no additional cost, rather than having to attest through CMS. If you reported via the NRDR for the 2017 reporting period, there is no need to sign-up again.

For the 2018 reporting period, the Quality component of MIPS has been reduced to 50% of the total composite score reduced by 10% allocated to the Cost component. The data completeness threshold has been raised from 50% to 60% of all claims submitted. Most radiology groups are considered hospital-based and/or non-patient facing. This can be determined by entering your National Provider Identification (NPI) number at https://qpp.cms.gov. Once determined to be either hospital-based and/or non-patient facing, the Advancing Care Information (ACI) component of MIPS is reallocated to Quality raising the percentage to 75% of the total composite score. CPIAs remain at 15% of the overall composite score for 2018.
Despite a limited number of current applications, Artificial Intelligence (AI) has taken the radiology world by storm. Every week, there's another news article on AI’s potential to change radiology. What forces are driving this focus?

Learn the latest imaging market trends for 2018

The focus on AI stems in part from a fear of AI replacing radiologists—this sort of concern exists in other professions, medical or otherwise. However, for some imaging leaders, the focus on artificial intelligence is less on how to avoid it, and more on how to leverage it successfully as an early adopter.

Radiologist replacement? Not so fast

Before we dive into early applications of AI in radiology, let's quickly touch on a couple of reasons as to why it'll be a long time before AI replaces radiologists:

- **AI’s "what's wrong with this picture?" problem.** While AI technology can regularly identify objects in pictures, it's still a long way off from being able to place objects in a picture in context with one another to identify what's "wrong." At least in the near future, AI algorithms will continue to struggle with broad questions or applications. So, it'll be a while time before AI can conduct a complete read of a radiology image.

- **Major regulatory barriers.** Deep learning algorithms—the type of AI most commonly used in radiology—usually operate as a "black box." When these algorithms make a prediction, researchers have little understanding of what led the algorithm to make that prediction. This lack of information presents a major hurdle to FDA approval. Until more deep learning algorithms can document the steps taken to reach their conclusions, AI remains far removed from making independent clinical decisions.

Should radiologists embrace or fear machine learning?

Early applications for AI in radiology

So, if AI won't be independently reading radiology images any time soon, how can imaging leaders leverage developments in AI? The answer, in large part, lies in repetitive, non-complex tasks that can be accomplished by AI to improve quality and efficiency. Here are a few examples of current use cases for AI in radiology:

1. 'Intelligent' speech recognition

   **What it is:** Natural language processing algorithms built to improve the accuracy of speech recognition software.

   **How it works:** As radiologist dictates, software suggests changes that can reduce transcription errors; algorithms can also check completed dictations for inconsistencies, such as referring to the same nodule as being located in the left and right lung.

   **Availability:** Multiple vendors currently offer speech recognition solutions that include AI algorithms.

   **Potential impact:** Significantly fewer dictation errors, improved efficiency as radiologists spend less time checking/correcting dictations.

   **Potential concerns:** Radiologists become over-reliant on software, spend less time self-editing reports, leading to increased errors.

2. Worklist management and exam escalation

   **What it is:** AI algorithms designed to automatically triage cases to radiologists.

   **How it works:** The software orders the worklist based on urgency and subspecialty, and continuously adjusts triage rules for new cases; more advanced exam escalation has an algorithm review an image for critical findings and can prioritize exams with suspected critical findings.

   **Availability:** Numerous vendors offer some form of intelligent worklist software that utilizes AI, while 1-3 vendors currently offer exam escalation based on "pre-reads."

   **Potential impact:** Improved efficiency, as radiologists do not spend time finding and selecting their next exam. Higher quality care, as critical exams are prioritized to achieve shorter turnaround times.

   **Potential concerns:** Constant reading of images, with no minor breaks in between, could lead to increased radiologist burnout.

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