

# AFROC



ASSOCIATION OF FREESTANDING RADIATION ONCOLOGY CENTERS

*Our Voice in Washington*

## The Source

May 2007

### THE BOARD

David J. Rice, MD <i>President</i>	Port Charlotte, FL
Peter H. Blitzer, MD <i>Past President</i>	Plantation, FL
Paul Williams, MSPH <i>Secretary/Treasurer</i>	Charlotte, NC
Mary W. Conti, MD	St. Louis, MO
Bob D. Hesselgesser, MD	Thousand Oaks, CA
Michael J. Katin, MD	Fort Myers, FL
Dhirendra J. Patel, MD	Prescott, AZ
Wayne T. Spears, MD	St. Louis Park, MN
Diane Millman, Esq.	<i>Legal Counsel</i>
Sheila Gell, MA	<i>Executive Director</i>

### 2007 DUES

AFROC is the only organization that solely focuses on the regulatory, legislative, and socioeconomic issues of freestanding radiation oncology centers and is **your only voice in Washington**. Your continued participation is critical to its future and to the future of your freestanding radiation center.

**It is estimated that 95% of your dues can be taken as a business expense.**

Check out  
AFROC's website  
[www.afroc.org](http://www.afroc.org)

## LEGISLATIVE NEWS

### HHS Official Tapped as New CMS Administrator

On May 3<sup>rd</sup>, President Bush announced his intention to nominate Kerry N. Weems to be Administrator of the Centers for Medicare and Medicaid Services (CMS).

Mr. Weems currently serves as Deputy Chief of Staff at the Department of Health and Human Services (HHS) and has been with the department for 24 years. Weems also has served as acting assistant HHS secretary for budget, technology, and finance, HHS deputy assistant secretary for budget, and chief financial officer.

In nominating Weems, the President bypassed the current Acting Administrator Leslie Norwalk, who stated earlier this year she would not like to be considered, and the current Deputy Administrator and previous Medicare Director, Herb Kuhn.

The President also announced his intention to nominate Tevi David Troy, current Deputy Assistant to the President for Domestic Policy, as Deputy Secretary of Health and Human Services.

### ***AFROC has Moved!***

#### **Our new address is:**

1501 M Street, NW - 7th Floor  
Washington, DC 20005  
Phone: 202-872-6767  
Fax: 202-785-0564  
Email: [sgell@ppsv.com](mailto:sgell@ppsv.com)

## CMS Delays NPI Requirement

The Centers for Medicare and Medicaid Services (CMS) recently announced a one year moratorium on mandatory use of the National Provider Identifier (NPI).

The NPI was mandated under the 1996 Health Insurance Portability and Accountability Act (HIPAA) and will replace the current provider numbers used by physicians to bill Medicare and other insurers. The final rule adopting the NPI as the standard unique health identifier for health care providers was published on January 23, 2004, and became effective on May 23, 2005. The original deadline for implementation of the

NPIs was May 23, 2007 for all covered entities (except for "small plans").

However, CMS' contingency plan for covered entities states during the 12 months immediately following the May 23, 2007 compliance date, CMS will look at covered entities' "good faith" efforts to come into compliance with the NPI standards in determining, on a case-by-case basis, whether reasonable cause for the noncompliance exists and, if so, the extent to which the time for curing the noncompliance should be extended. In other words, physicians or groups may continue to use their previous provider numbers for an additional year as long as they are moving toward compliance.



**AFROC wishes to thank the following sponsors & exhibitors for supporting the 19th Annual Conference.**

### 2007 Gold & Silver Sponsors

*ACCURAY, Inc. - Silver*  
*OnCure Medical Corporation- Gold*  
*Physician Oncology Services - Silver*  
*Vantage Oncology - Silver*  
*Varian Medical Systems - Silver*

### 2007 Exhibitors

*3D LINE USA, Inc.*  
*Calypso Medical*  
*Cytac Surgical Products*  
*Impac Medical Systems*  
*Mpowermed*  
*NOMOS Radiation Oncology*  
*Nucletron Corporation*  
*Revenue Cycle*

**Coffee Break Sponsor 5/14 - Carestream Health, Inc.**

**Breakfast Sponsor 5/15 - Physician Oncology Services**

Specialty groups applauded the delay but continue to express concerns regarding the potential for fraudulent access to the NPI numbers. The American Medical Association (AMA), as stated in a February 12, 2007 letter to the CMS Administrator, would like CMS to ensure that the numbers are not widely distributed to individuals or organization who lack legitimate need for the numbers.

In a related issue, CMS is telling providers that the "old" CMS-1500 forms will be allowed until June 1, rather than April 1 as previously expected. The new version, 08-05, accommodates the new NPI numbers.

According to CMS, some print vendors were selling versions of the new form that were incorrectly formatted and submission of these forms would have delayed provider payments. However, CMS acknowledges that even with the respite, the new CMS-1500 forms will have issues including no space to list a secondary carrier and poorly placed lines to put the carrier's name and address.

### **Trustee's Report Triggers Medicare Funding Warning**

Findings in the annual Medicare Trustees report require a mandatory proposal from President Bush in early 2008 to reduce Medicare spending.

For the second year in a row, the trustees' report has projected that general revenues funding is expected to exceed 45% of Medicare financing within the next seven years. A statutory Medicare trigger requires that if such findings are reported in two consecutive years, the President must offer a legislative proposal to bring the funding level below 45%, no more than 15 days after the release of his next budget proposal.

The trustees' report states that Medicare Part A will run out of money in 2019; however,

Health and Human Services (HHS) Secretary Leavitt stated this week that the trustees report does not take into account expected legislation to override the scheduled 10% cut in physician payments next year. If such legislation were enacted, the Secretary estimates the 45% level could be exceeded as soon as 2010.

The Bush Administration sought significant Medicare spending reductions in its fiscal year (FY) 2008 budget proposal released last February, suggesting up to \$66 billion in cuts over the next five years. However, Congress is expected to reject many of the President's proposed Medicare cuts in the FY 2008 budget/appropriations process.

Many Congressional Democrats fear that the President will use the funding warning to propose harmful cuts to the Medicare program and place the Medicare funding issue in the larger context of rising health care costs. Stakeholders, such as AARP, have called the 45% funding trigger arbitrary, with little correlation to the overall fiscal health of the Medicare program.

### **Cap on Imaging is Affecting IGRT Reimbursement**

The cap applied to the technical component on imaging is affecting imaging that precedes IGRT treatment (code number 77421). As a result, AFROC members are finding a significant reduction in reimbursement.

By way of background, the DRA reductions, which limit the amount paid for medical imaging TC services to the amount paid in hospital settings, is not limited to DIAGNOSTIC imaging, but rather includes all medical imaging services. This provision was enacted into law without any prior public notice. It was not included in either the Senate or the House bill, but emerged as a money-saving item during the Conference Committee.

When CMS was putting together the regulations implementing this provision, AFROC lobbied CMS to categorically exclude radiation oncology services; however, the statutory language does not authorize the exclusion of medical imaging services solely because they are used for therapeutic purposes. We were successful in urging CMS to limit the impact of the DRA on radiation oncology to a few codes--at one point; CMS was considering applying the reduction to a broad range of services, including IMRT.

### DRA 2007 Physician Fee Schedule Cap Table

The following table shows the imaging codes that are relevant to AFROC members and the cap related to the permissible HOPPS amount. To find out how your freestanding center is affected, insert a column indicating the frequencies for the affected codes and then annualize the impact of the payment limits on your practice.

**Table: 2007 DRA Cap & Relevant Radiology/Radiation Oncology Codes**

(Revised with updated 2007 conversion factor of \$37.8975)

<b>CPT</b>	<i>Short Descriptor</i>	<b>2007 Physi- cian Fee Schedule Pay- ment</b>	<b>2007 HOPPS Payment</b>	<b>Subject to the DRA Cap</b>
76000-TC	Fluoroscopy, less than 1 hour	\$64.43	\$79.34	No
76001-RC	Fluoroscopy, more than 1 hour	\$0	\$0	No
76376-TC	3-D render without post-process	\$112.18	<b>\$37.51</b>	<b>Yes</b>
76377-TC	3-D rendering with post-process	\$119.00	<b>\$94.53</b>	<b>Yes</b>
76380-TC	CT limited or localized follow-up study	\$145.41	<b>\$94.53</b>	<b>Yes</b>
76873-TC	Ultrasound prostate volume study for brachytherapy	\$92.85	\$95.93	No
76950-TC	Ultrasound guidance for placement of radiation fields	\$49.65	\$73.04	No
76965-TC	Ultrasound guidance for interstitial radioelement application	\$175.84	<b>\$129.16</b>	<b>Yes</b>
77011-TC	CT guidance for stereotactic localization	\$432.41	<b>\$250.94</b>	<b>Yes</b>
77014-TC	CT guidance for placement of radiation fields	\$129.23	<b>\$94.53</b>	<b>Yes</b>
77417	Radiology port film(s)	\$21.60	\$43.60	No
77421-TC	Stereoscopic x-ray guidance	\$116.72	<b>\$67.45</b>	<b>Yes</b>

## **Stereotactic Radiosurgery Focus of Radiation Oncology Stakeholders Conference Call**

On April 10<sup>th</sup> ASTRO hosted a radiation oncology stakeholders' conference call focusing on reimbursement for Stereotactic Radiosurgery (SRS) which included coverage policies from Aetna, United Healthcare, Anthem and Cigna.

In its healthcare coverage position, Cigna includes the following in its summary:

The current peer-reviewed literature supports the use of stereotactic radiosurgery (SRS) for primary tumors of the brain, brain metastases and inoperable spinal tumors with compression or intractable pain. There are US Food and Drug Administration (FDA)-approved linear accelerator (LINAC)-based systems for extracranial use. Centers with Cyberknife and Trilogy technology are performing radiosurgery on extracranial tumors and lesions.

For more information, you may access the following links:

[http://www.aetna.com/cpb/medical/data/1\\_99/0083.html](http://www.aetna.com/cpb/medical/data/1_99/0083.html)

[http://medpolicy.unicare.com/policies/SURG/stereotactic\\_RSx.html](http://medpolicy.unicare.com/policies/SURG/stereotactic_RSx.html)

[http://medpolicy.unicare.com/policies/SURG/stereotactic\\_RSx.html](http://medpolicy.unicare.com/policies/SURG/stereotactic_RSx.html)

[https://www.unitedhealthcareonline.com/b2c/cmaIndexResult.do?channelId=016228193392b010VgnVCM100000c520720a\\_\\_\\_&htmlFilePath=/ccmcontent/ProviderII/UHC/en-US/Assets/ProviderStaticFiles/ProviderStaticFilesHtml/MedicalPolicies/Stereotactic\\_Radiosurgery.htm](https://www.unitedhealthcareonline.com/b2c/cmaIndexResult.do?channelId=016228193392b010VgnVCM100000c520720a___&htmlFilePath=/ccmcontent/ProviderII/UHC/en-US/Assets/ProviderStaticFiles/ProviderStaticFilesHtml/MedicalPolicies/Stereotactic_Radiosurgery.htm)

[http://www.cigna.com/customer\\_care/healthcare\\_professional/coverage\\_positions/medical/mm\\_0110\\_coveragepositioncriteria\\_stereotactic\\_radiosurgery\\_srs.pdf](http://www.cigna.com/customer_care/healthcare_professional/coverage_positions/medical/mm_0110_coveragepositioncriteria_stereotactic_radiosurgery_srs.pdf)

---



## *The Source*

May 2007

1501 M Street, NW  
7th Floor  
Washington, DC 20005  
Phone: 202-872-6767  
Fax: 202-785-0564  
Email: Sheila.Gell@ppsv.com

**Join AFROC:  
Your Freestanding  
Independence  
Depends on it!**

### **Practice Gold Members:**

- **Illinois Metro Radiation Therapy—Fairview Heights, Illinois and St. Louis, Missouri**
- **Minneapolis Radiation Oncology Physicians  
Minneapolis, Minnesota**
- **NorthMain Radiation Oncology  
Providence, Rhode Island**
- **Poudre Valley Radiation Oncology & Centennial Radiation Oncology  
Denver, Colorado**
- **RadiantCare Radiation Oncology  
Lacey, Washington**
- **Radiation Medical Group  
San Diego, California**
- **Radiation Oncology Centers of the Carolinas  
Charlotte, North Carolina**
- **Tacoma Radiation Oncology  
Tacoma, Washington**
- **Tri-State Regional Cancer Center  
Ashland, Kentucky**
- **21st Century Oncology  
Fort Myers, Florida**