MEDICAL PHYSICS ECONOMICS UPDATE

AAPM Annual Meeting
July 2015
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THE PEC

Purpose

Monitor and analyze the activities of entities that influence reimbursement for medical physics services, advise the Association on the formal positions it should take on related issues, and provide information to the membership and other organizations.

Activities/ Responsibilities

- Review the proposed actions of CMS and other reimbursement agencies
- Review guidelines that relate to the use of CPT codes and their implementation
- Ensure coordination between the activities of the AAPM and those of related organizations
- Work with related organizations to develop consistent responses to proposals and issues of mutual concern
- Provide information to the membership through existing channels within the AAPM
- Provide information to other organizations regarding reimbursement for professional medical physics services.
MEDICARE AND CANCER

Pre Medicare Eligible

Post Medicare Eligible
Physics Codes in Medicare Part B

- Everything Else
- Physics codes
CHARGE MASTER
BREAKDOWN

- Treatment: 45%
- Sim/Planning: 26%
- IGRT: 17%
- Continuing Physics: 6%
- Special Physics: 0%
- Everything Else: 6%
Reimbursement has two components:

- “Professional” means physician
- “Technical” means everything else

Physician-owned practices bill a ”global” fee that includes both professional and technical
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<th>Technical</th>
<th>Professional</th>
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<td>Hospital</td>
<td>HOPPS</td>
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CPT® CODES


• Listing of descriptive terms/identifying codes for reporting of medical services and procedures
• Published by American Medical Association (AMA); copyrighted
• Updated Yearly
• Nearly 10,000 codes
• Anyone can apply for a code
HOPPS

Under HOPPS, CPT codes are grouped into Ambulatory Payment Classifications (APCs)

• CPT codes within an APC are similar clinically and in resources required
• Each APC is assigned reimbursement level; all codes within APC receive same payment
HOPPS

CMS looks at hospital outpatient claims (bills) from 2 years prior (2 year data lag)

Reduces hospital charges to cost using cost-to-charge ratios (CCR) obtained from reported hospital data

Calculates geometric mean costs for each APC
Rate setting is based on claims data. Therefore more radiation oncology claims for rate setting ensures more appropriate & stable payment rates!

Correct coding impacts everyone!
HOPPS: PACKAGING

Packaging: A procedure/service is considered to be ancillary and cost is paid as part of another code that is considered the primary procedure/service

• Packaged codes are not paid separately
• Packaged codes should still be reported
• 12 categories of codes considered to be ancillary
HOPPS: PACKAGING

For 2016 Rad Onc’s 6 IGRT codes will remain packaged (considered “guidance services”) – no separate payment
PACKAGED VS BUNDLED

2016 HOPPS

IGRT for 3D is packaged: still bill it

IGRT for IMRT is bundled: don’t bill it
TIPS FOR THE CLINICIAN

• Beware vendor coding recommendations
• Don’t hinge your capitol purchase pitch on coding
• Broad scope of our impact, not just chart checks
• We are not coders. Engage in the discussion, but be aware of role
• Work drives coding, coding doesn’t drive work
RESOURCES

• AAPM Government Affairs Tab on the AAPM website
• The ASTRO Coding Guide
• Reach out to us
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