

## Access to Medical Imaging Coalition

Protecting and Preserving Access to Quality Imaging Services for our Nation's Medicare Patients

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### **AMIC Statement Obama Budget**

#### ***Coalition Says Imaging Improves Quality of Care and Reduces Costs; Warns That Prior Authorization Will Undermine Doctor Decision Making and Negatively Impact Patient Access***

**Washington, D.C.** – The Access to Medical Imaging Coalition (AMIC) today said that while the group shares the same health policy goals to provide all Americans with access to affordable, quality health care outlined in President Obama's federal budget, it cautioned that a reliance on Radiology Benefit Managers (RBMs) will intrude into the doctor-patient relationship and negatively impact seniors' access to diagnostic and therapeutic imaging services.

RBMs are a for-profit managed care industry established by health insurance companies to deny imaging services to patients. Physicians who deal with RBMs say they undermine patient care, force patients to wait to receive needed tests, and cause delays in diagnosis and care. Moreover, RBMs place a large administrative burden for physicians, especially those with small practices. According to the American College of Cardiology, RBMs process order requests, on average, 48-72 hours after receiving them.

“Congress made a significant down payment last year to ensure patients get the right scan at the right time by passing mandatory accreditation and appropriateness criteria,” Trysla said. “But there is more work to be done and instead of RBMs, we urge Congress to incentivize the use of expert physician-developed appropriateness guidelines, which when combined with computerized physician order-entry software, will educate physicians about ordering and performing the proper imaging studies for patients presenting with specific conditions.”

AMIC said it agreed with concerns the Department of Health and Human Services' (HHS) raised in the June 2008 Government Accountability Office (GAO) report. According to the report, “HHS raised several concerns about the administrative burden, as well as the advisability of prior authorization for the Medicare program. First, the agency said there was no independent data—other than self-reported—on the success of RBMs in managing imaging services. Second, it stated that RBMs' use of potentially proprietary information, including clinical guidelines and protocols for approval of services, may be inconsistent with the public nature of Medicare. Third, the effectiveness of a prior authorization program could be diminished if a high proportion of denied services were overturned through Medicare's statutory and regulatory appeals process. HHS also raised a question about how prior authorization would fit within its current post-payment review program.”

AMIC said that recent reductions in Medicare reimbursements for medical imaging are already impacting patient care in rural regions of the country. Clinicians practicing in rural regions of the country are speaking out about the impact recent Medicare cuts have had on patients' access to diagnostic and therapeutic care.

Tim Attebery, chief executive officer of Cardiovascular Associates in Kingsport, Tennessee said that his practice has cut physician coverage in two rural areas, reduced coverage at two other rural clinics and delayed plans to commence coverage at additional three clinics. In total, Attebery said that seven rural counties – two in Tennessee and five in southwest Virginia – have been affected.

Attebery said “as a result patients in need of cardiovascular care don't have access to it. Certain chronic conditions are not managed well and the patient's condition deteriorates which, oftentimes consumes more of the already limited resources.”

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According to the Government Accountability Office (GAO), the Deficit Reduction Act of 2005 (DRA) resulted in \$1.64 billion in Medicare cuts for imaging services in 2007 alone, the first year cuts were implemented, which was three times larger than what Congress intended. The GAO also found that utilization of advanced imaging services has slowed significantly, which suggests that further cuts could endanger the availability of these services.

Additionally, AMIC also said that MedPAC's recent recommendation, which will be formally released on March 5, to dramatically change the formula that determines physician reimbursement rates for advanced imaging procedures is based on a deeply flawed survey that should be rejected. Specifically, MedPAC has called on the Centers for Medicare and Medicaid Services (CMS) to significantly increase the formula's assumption about the amount of time that advanced imaging equipment is used by physicians by 40 percent. Instead of basing reimbursement formula on a flawed survey, AMIC called for a new public-private partnership with CMS for the collection of more accurate and comprehensive utilization data to better inform future recommendations.

Montana is one good example of how MedPAC's proposed changes in the utilization assumption rate would be completely unmanageable in rural regions of the country.

"It really isn't accurate to assume we do – or could – operate imaging equipment 90 percent of the time we are open for business," said Dr. Michael Tryhus, a Missoula, Montana radiologist. "In addition to scheduled appointments, we provide emergency services to a community hospital and also cover inpatients. There are rules requiring physicians to directly supervise advanced imaging, and the limited number of radiologists providing services in states like Montana makes it difficult. Combine these facts with the fact that many of our patients travel long distances to receive imaging services, which complicates scheduling and it would be virtually impossible for a typical rural provider to have anywhere near a 90 percent utilization rate."

Instead of RBMs or altering the assumption about the time imaging equipment is in use, AMIC said its members have consistently offered policy solutions that make health care more accessible, enhance the quality of patient care, reduce inefficiencies and remove barriers to appropriate screenings and treatments. In the 110<sup>th</sup> Congress, AMIC strongly supported both appropriateness and accreditation criteria contained in the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA) as proper policy tools for ensuring that medical imaging is utilized appropriately and effectively.

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