ACC Scores Some Wins With Final 2000 Fee Schedule

On Tuesday, Nov. 2, 1999, the Health Care Financing Administration (HCFA) published its final rule on the physician fee schedule for calendar year 2000. The American College of Cardiology (ACC) was successful in convincing HCFA to make several policy changes. These policy changes, along with a large conversion factor update, will result in an average 3 percent increase in Medicare payments to cardiologists in 2000.

Although the financial impact of the fee schedule on individual practices and physicians will vary based on their specific mix of services, the following chart summarizes the average change in reimbursement by type of cardiovascular procedure:

	Proposed July 1999	1999–2000
Echo	−10.0%	−1.0%
Pacing/EP	−11.0%	−1.0%
Nuclear	4.0%	3.0%
Interventional	−20.0%	−2.0%
General	4.0%	6.0%
Total	−3.0%	3.0%

Sustainable Growth Rate/ Medicare Conversion Factor

The main reason for the improved fee projections for 2000 is a 5.4 percent increase in Medicare's conversion factor. The conversion factor is the dollar amount multiplied by the sum of a CPT code's relative value units (RVUs). It is used to derive the level of reimbursement. In 2000, the conversion factor will be $36.61.

Resource-Based Malpractice Expense Values

The ACC convinced HCFA to correct errors in the new resource-based malpractice expense values proposed in July. HCFA had mistakenly assumed that all nonsurgical procedures (including catheterizations and evaluation and management [E/M] services) possess identical malpractice risk. Citing the ACC's comments on this error, HCFA revised its proposed malpractice methodology, thereby offsetting significant reductions in malpractice reimbursement for invasive cardiology procedures and increasing average cardiology fees 0.5 percent over the July 1999 projections.

ACC-Recommended Technical Changes

HCFA fulfilled the requests of the College and two cardiology subspecialty societies to maintain CPT codes 93307 and 93350 in the technical component RVU pool. Maintaining these codes in the pool prevents drastic reductions in these codes' levels of reimbursement.

HCFA also agreed with the College that it should use the most recent Medicare claims data to calculate expense RVUs for 2000. The ACC estimates that in recent years up to 10 percent of cardiologists were incorrectly identified as internists. These errors reduced the size of cardiology practice expense pools and resulted in lower payments to the specialty. HCFA's decision to use current data should more accurately reflect the number of services performed by cardiologists and increase the size of the reimbursement pool for the cardiovascular specialty. **The ACC continues to encourage all members to ensure that their Medicare carrier has correctly identified them as cardiologists.**

Physicians' Clinical Staff in the Facility Setting

Despite efforts of the ACC and many other specialty societies, HCFA is implementing its decision to stop reimbursing physicians for the costs of their clinical staff used in a hospital setting. The College appreciates the help of many members who provided letters and e-mails conveying the importance of their clinical staff in the hospital setting. The ACC is working with other concerned medical specialty societies to seek legislative changes that would force HCFA to account for these real costs properly.

CPT Modifier –25

In its July rule, HCFA proposed requiring the use of a CPT modifier, –25, when a separate E/M service is performed in conjunction with another medical procedure. In the final rule, HCFA stated that it would not require the routine use of modifier –25 with all procedures with a "XXX" global indicator. Instead, HCFA has decided to identify specific codes with which an E/M code would need the –25 CPT modi-

December 1999
Vol. 28, No. 12
CARDIOLOGY

Arthur Garson, Jr., MD, MPH, President
Christine W. McEntee, Executive Vice President
Melanie Privette Caudron, Editor
Kathy Boyd, Managing Editor
Matthew Duffy, Production Editor

Contributing Writers: Karen Collishaw, Marie E. Michnich, DrPH, Penny S. Mills, Robert Blatt, Jim Boxall, Beth Cassady, Jeff Gorke, Barbara Greenan, Betty Holloway, Enzo Pastore, Wayne Powell, Camille Sorosiak, and Alan Yount

Cardiology is published monthly by the American College of Cardiology, 9111 Old Georgetown Rd., Bethesda, MD 20814-1699; 800-253-4636 (outside the United States and Canada, 301-897-5400); fax 301-897-9745. To subscribe: 800-253-4636, ext. 694. All contents © 1999, ACC.

Cardiology is supported by advertisements from AstraZeneca; Merck; Parke-Davis; Pfizer, Inc.; and Wyeth-Ayerst Laboratories.