



Physicians' Reduced Imaging Reimbursements



The Deficit Reduction Act (DRA) – which took effect in 2017 – and other noninvasive diagnostic imaging (NDI) payment cuts that followed have created huge savings for the U.S. Medicare programme but have led to sharp reductions in payments received by radiologists, cardiologists, and other physicians for those services, according to new research published in the Journal of the American College of Radiology. Overall, reimbursements to physicians under the Medicare Physician Fee Schedule (MPFS) were down by one-third in 2015 compared with the peak year of 2006 and were at approximately the same level in 2015 as they had been in 2002.

A widely read report in 2009 called attention to the fact that imaging was the most rapidly growing of all physician services in the Medicare programme. This caught the attention of payers and policymakers, and subsequent years saw the institution of substantial imaging reimbursement cuts in an effort to rein in the growth.

The study examined data from the Medicare Part B databases for 2002 to 2015; these files provide total allowed payments for all NDI Current Procedural Terminology codes under the MPFS. Medicare speciality codes were used to identify payments to radiologists, cardiologists, and all other specialists. In addition to total reimbursements, those made for global, technical component, and professional component claims were studied.

The study's key findings include:

- Total Part B payments to physicians for NDI under the MPFS peaked at \$11.936 billion in 2006, but dropped by 33% to \$8.005 billion in 2015 as a result of the DRA and other Medicare reimbursement cuts.
- Payments to radiologists also peaked at \$5.300 billion in 2006 but dropped to \$4.269 billion by 2015 (-19.5%).
- Payments to cardiologists for NDI declined by 44.9% to \$1.653 billion in 2015 from their 2006 peak (\$2.998 billion).
- Most other specialties also saw decreases over the study period.

According to researchers, one important reason for the large decline for cardiologists was their dependence on global reimbursement, which saw a 50.5% drop from 2006 to 2015. Radiologists' global payments also dropped sharply (40.4%), but radiologists themselves were somewhat protected by receiving a much larger proportion of their reimbursement for the professional component, which was not nearly as affected by Medicare payment reductions.

"It should also be noted that although NDI payments to cardiologists and many other nonradiology specialists

were proportionately affected more severely than those to radiologists, the overall effects upon the practice revenues of nonradiologist physicians is less likely to be harmful because they generally provide a host of other services to patients aside from imaging," the study says.

The study cites important limitations including that it examined payments that were made to physicians under the MPFS and do not cover the total costs of NDI to the Medicare programme. The technical component of imaging performed in hospital outpatient facilities is paid to them through the Hospital Outpatient Prospective Payment System (HOPPS). Also, the study covers only the traditional Medicare fee-for-service database and does not include commercially insured individuals. Payment data from commercial carriers are notoriously difficult to obtain because insurers are reluctant to release information about their payment policies, according to researchers.

Source: [Journal of the American College of Radiology](#)

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