

FOR IMMEDIATE RELEASE
June 15, 2011

CONTACT: Eric Hoffman
202.585.2808
ehoffman@powelltate.com

MedPAC Says Utilization Flat, MITA Urges Congress to Reject Advisory Committee's
Recommendations on Reimbursement and Prior Authorization

Commission Recommends another Deep Cut to Life-Saving Imaging Services

Washington, D.C. – With MedPAC confirming that the growth of advanced imaging is flat, the Medical Imaging & Technology Alliance (MITA) called on Congress to reject today's Medicare Payment Advisory Commission (MedPAC) recommendations to reduce reimbursements for medical imaging and other provisions that will curtail access to life-saving diagnostic and therapeutic medical imaging.

“While MedPAC has confirmed that the growth in utilization of advanced imaging services was flat from 2008 to 2009, it continues to recommend dramatic reimbursement cuts as well as a prior authorization program that would result in reducing seniors' access to imaging services,” said Dave Fisher, Executive Director of MITA. “MedPAC's has chosen to disregard the very imaging use data it confirms. Deep cuts to imaging service that are not growing will impede patients' access to imaging services which are central to the standard of medical care.”

The Department of Health and Human Services (HHS) has already weighed in on prior authorization in the Medicare program. In 2008, HHS noted that a prior authorization program could be “inconsistent with the public nature of the Medicare program,” since such programs rely on private companies using proprietary systems to deny care prescribed by a physician. HHS also noted that the Medicare appeals process guaranteed to every beneficiary could overturn a “high proportion” of denials, rendering the policy ineffective.

Cutting reimbursements to physicians in office settings has the potential to encourage physicians to refer their Medicare patients to higher cost hospital settings. MedPAC's recommendations would also significantly reduce Medicare reimbursements to primary care physicians, and have the potential to seriously impact provision of x-rays and ultrasound services to Medicare patients.

In fact, recent data has shown that prior authorization is ineffective. A study in the June 2011 issue of the Journal of the American College of Radiology (JACR) found that relying on Radiology Benefit Managers (RBMs) to conduct prior authorization for advanced imaging increases costs and red tape, placing a burden on physicians and potentially causing delays in treatment. In addition, RBMs have yet to be validated in large scale trials by evidenced-based medicine experts. Alternatives such as promoting the use of evidence-based, physician-developed appropriateness criteria for imaging services can reduce utilization and spending without the unnecessary bureaucracy of prior authorization or the blunt instrument of reimbursement cuts.

###

The Medical Imaging & Technology Alliance (MITA), a division of the Association for Electrical & Medical Imaging Manufacturers (NEMA), is the collective voice of medical imaging and therapy equipment manufacturers, innovators, and product developers. For more information visit www.medicalimaging.org