

ACR Opposes Imaging Provisions in Administration Debt Reduction Plan

Washington, DC (September 22, 2011) — The American College of Radiology (ACR) states that imaging cuts in the administration's deficit reduction [proposal](http://www.acr.org/SecondaryMainMenuCategories/NewsPublications/FeaturedCategories/CurrentACRNews/archive/Obama-Defecit-Reduction-Plan-.aspx) (<http://www.acr.org/SecondaryMainMenuCategories/NewsPublications/FeaturedCategories/CurrentACRNews/archive/Obama-Defecit-Reduction-Plan-.aspx>) would restrict patient access to care and may actually raise costs. The ACR urges the Joint Select Committee on Deficit Reduction to reject the administration's imaging recommendations and work with ACR and other imaging stakeholders to create policies that ensure safe, appropriate care, promote quality and protect patient access.

The administration included changes to the imaging equipment utilization rate and a Medicare prior-authorization program for advanced diagnostic imaging services. The proposal claims that these imaging cuts will total \$1.3 billion over 10 years. Imaging providers have already endured more than \$5 billion in reimbursement cuts over the last five years. Payment rates for many life-saving CT and MRI scans have been slashed up to 60 percent.

This latest round of cuts would likely force many suburban and rural imaging providers to close, drive imaging care back to larger metropolitan medical centers and cause patients to endure longer commutes and wait longer for appointments to receive care. Since Medicare reimbursement and patient co-pays can be higher for imaging services performed in hospitals than in freestanding centers or doctors' offices, this may drive up costs as it restricts access.

The present equipment utilization rate assumption of 75 percent is artificially high. A Radiology Business Management Association [survey](http://rightscanrighttime.org/wp-content/uploads/2009/08/imaging-equipment-utilization-rate-report_final-16jul09.pdf) (http://rightscanrighttime.org/wp-content/uploads/2009/08/imaging-equipment-utilization-rate-report_final-16jul09.pdf) shows that the national average rate is only 54 percent. The higher the utilization rate assumption is, the lower the per-scan Medicare reimbursement. The greater the difference is between a facility's actual utilization rate and the Medicare assumption – the greater the cut.

A prior authorization program for advanced imaging in Medicare would have third party gatekeepers (RBMs) – not doctors and patients – decide whether patients receive needed scans. Aside from this disruption in care, many policy experts believe that, once all vendor fees and associated expenses are included, use of RBMs may actually cost Medicare money – not produce savings.

The assertion that cuts are needed due to growth in imaging use is inaccurate. Unlike most other Medicare services, spending on medical imaging is at roughly the same level as in 2004. A Moran Company [review](http://rightscanrighttime.org/wp-content/uploads/2011/02/Moran-Slides-1999-2009-Trends_1.pdf) (http://rightscanrighttime.org/wp-content/uploads/2011/02/Moran-Slides-1999-2009-Trends_1.pdf) of claims data proves that imaging growth in Medicare is less than 2 percent per year and advanced imaging growth is roughly half that of three years ago. Blind cost-cutting based on faulty assumptions can only hurt access to care and ultimately reduce the quality of care that Americans receive.

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