



**Statement of the
American College of Radiology
To the
Joint Select Committee on Deficit Reduction**

September 13, 2011

The American College of Radiology (ACR), a professional organization representing more than 34,000 radiologists, interventional radiologists, radiation oncologists, nuclear medicine physicians, and medical physicists, is pleased to submit this statement for the record to the Joint Select Committee on Deficit Reduction as it begins its important deliberations.

The College certainly appreciates the enormity of the task at hand for the Committee and that very difficult decisions lie ahead. ACR feels strongly that when looking at the possibility of provider payment reductions in Medicare, the Committee should no longer divide the physician community into winners and losers as recent legislation and regulation has done; but instead, apply any reductions to all providers, not just a select few.

The specialty of radiology bases its provider payment reduction opinion on the fact that reimbursement for the advanced imaging modalities (CT, MRI, PET) has consistently been the focus of payment reductions both legislatively and through the regulatory process. Since 2005, the College and our coalition of other medical specialties, patient groups and manufacturers, the Access to Medical Imaging Coalition (AMIC), has worked tirelessly to advise Congress on targeted imaging utilization policies such as facility accreditation and using appropriateness criteria for ordering physicians, yet Medicare reimbursement for and spending on advanced medical imaging services, including MRI and CT scans have been dramatically reduced by blunt, across-the-board policies based on little or no data. The following is a list of such policies:

- The Deficit Reduction Act of 2005 (DRA) reduced spending on advanced imaging by **19.2 percent** in 2007 alone. In 2009, spending on advanced imaging grew only 1.2 percent (down from 2.3 percent in 2008), as compared to physician services overall, which grew 2.6 percent.

- The Patient Protection and Affordable Care Act (PPACA) further reduced reimbursement for advanced imaging services by setting the utilization rate assumption at 75 percent and increasing the multiple procedure payment reduction (MPPR) for scans of contiguous body parts from 25 to 50 percent. CMS then extended the MPPR policy to non-contiguous scans in 2011. The Congressional Budget Office (CBO) estimated this policy would reduce payments to medical imaging services by \$3 billion.
- At the same time, CMS has been implementing regulatory changes since 2005, including new practice expense methodology and flawed practice expense data, which together have already reduced payments for advanced imaging services by double-digits, and reductions will continue as these changes are phased in through 2013.

These payment reductions are making it increasingly difficult, and in some cases impossible, for many radiologists to keep their offices and freestanding imaging centers open while actual practice costs continue to increase. The unfortunate result of this reality is the closure of freestanding imaging centers which reduce patient access to timely, non-emergent imaging services.

A recent nationwide poll expected to be released in the coming weeks indicates that Americans overwhelmingly recognize the important role of diagnostic imaging in health care and oppose further cuts that would reduce access to these services. Committee members must also remember and acknowledge that diagnostic imaging services are crucial to early disease detection. Early diagnosis, before expensive complications arise, is a practice that has been repeatedly proven to not only save lives but also serves as one of the few ways for Medicare to reduce health care costs.

Furthermore, access to these life-saving imaging services should NOT continue to be determined based on arbitrary reimbursement reductions, but instead should be based on clinical appropriateness supported by clinical evidence. **Therefore, the College urges the Committee to reject further cuts to medical imaging.**

As always, the American College of Radiology appreciates the opportunity to share its views on this matter and is committed to working with the members and staff of the Joint Select Committee on Deficit Reduction to maintain timely access by Medicare beneficiaries to our services.

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