

# ACCESS TO MEDICAL IMAGING COALITION

January 12, 2011

Dear Chairman Hackbarth:

As the Medicare Payment Advisory Commission (MedPAC) prepares its recommendations to Congress on Medicare physician payments, the Access to Medical Imaging Coalition (AMIC) urges the Commission to carefully consider the findings of a new study illustrating the correlation between inadequate Medicare reimbursement and adverse patient outcomes, and to ensure that Medicare reimbursement levels do not further limit patient access to important tools that can diagnose diseases early, when they are most treatable.

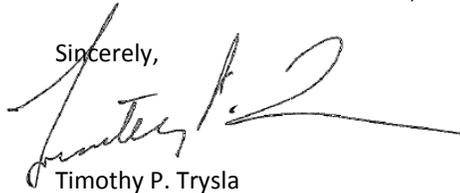
A peer-reviewed study published in the December 2011 issue of *Health Affairs* found that, following a decade of growth in the use of dual energy x-ray absorptiometry (DXA) to detect osteoporosis, DXA testing in all Medicare Part B settings plateaued in 2007-2009 after the Deficit Reduction Act of 2005 (DRA) drastically cut Part B imaging payments and CMS changed its methods for calculating practice expenses. Based on the historical trends in DXA use, in those years, 800,000 fewer tests than expected were performed for Medicare beneficiaries—tests that might have prevented 12,000 fractures and their associated health care costs. The authors observed that DXA utilization continued on a slight upward trend in the hospital outpatient setting, where payments were not affected by the DRA, while plateauing in the physician office setting, strongly suggesting that “Medicare’s office-specific payment cuts caused the decline in overall testing observed in 2009” and “reduced beneficiary access to this preventive service.”<sup>1</sup>

For the last several years, our members have worked together to convey the message that this new study makes clear: **setting Medicare reimbursement for diagnostic imaging services at inadequate levels reduces access and endangers the health and safety of Medicare beneficiaries.** The reduced testing and concomitant potential increase in fractures that have resulted from the decreases in DXA reimbursement should serve as an indication to MedPAC, Congress and CMS of the impact on patient health outcomes that results from imposing steep reductions on Medicare imaging payments.

As MedPAC reported at its December 2011 meeting, **utilization of overall imaging services declined by 2.5 percent in 2010**, confirming an analysis released by the Medical Imaging & Technology Alliance (MITA). For advanced imaging modalities like CT and MRI, the decline in utilization in 2010 was even steeper—3 percent—continuing a multiyear trend of slow-to-negative growth. The MITA analysis also revealed that per-beneficiary spending on imaging services has dropped 13.2 percent since 2006, while non-imaging spending has grown nearly 20 percent. In fact, imaging is now a smaller portion of Medicare spending than it was at the turn of the century.

Our members are very concerned that the repeated legislative and regulatory cuts to medical imaging reimbursement since the DRA have led to growing access problems for Medicare beneficiaries—for both DXA and other imaging modalities—as well as related negative health outcomes. In advising Congress about physician payments, particularly for important diagnostic and preventive care that is recommended for Medicare beneficiaries, MedPAC *must* consider the potential downstream impact on beneficiaries’ access and health outcomes and must support its recommendations with research focused on outcomes, not just costs.

Sincerely,



Timothy P. Trysla

On behalf of the Access to Medical Imaging Coalition

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<sup>1</sup> Alison B. King and Donna M. Fiorentino, *Medicare Payment Cuts For Osteoporosis Testing Reduced Use Despite Tests’ Benefit In Reducing Fractures*, *Health Affairs* (Dec. 2011).