

DOWN, BUT NOT OUT: HOW THE AAO HAS RESPONDED TO MEDICARE'S 2016 OPHTHALMOLOGY FEE CUTS

Faced with cuts to ophthalmic reimbursements, the American Academy of Ophthalmology sprang into action.

BY GEORGE A. WILLIAMS, MD



By now, ophthalmologists who treat patients with glaucoma are feeling the pain wrought by significant cuts in Medicare payment for trabeculectomy and trabeculoplasty. Particularly, cuts were enacted to Current Procedural Terminology (CPT) codes 65855, 66170, and 66172, beginning on January 1, 2016. The Centers for

Medicare & Medicaid Services (CMS) identified these codes for revaluation by the American Medical Association Resource-based Relative Value Update Committee (RUC) in 2015 for implementation in 2016.

UNEXPECTED ACTION

In 2015, surveys demonstrated significant decreases in time from the previous valuations for trabeculectomy and trabeculoplasty. Based on the surveys, the RUC recommended substantial cuts to the values. There is historical precedent for this, with CMS accepting the vast majority of RUC recommendations, but this time, CMS was not so accepting.

The American Academy of Ophthalmology (AAO) was stunned. When CMS released the final values that further cut the already large RUC cuts, it employed an unprecedented linear decrease in valuation based on the decrease in time. In doing so, CMS completely ignored the intensity of these procedures. The AAO's community of ophthalmologists believes that this rationale violates the legislative mandate requiring CMS to consider both time and intensity in determining payment.

Why CMS implemented this new rationale is unclear,

but it may involve a requirement in the Medicare Access and CHIP Reauthorization Act of 2015. In this legislation, Congress mandated that CMS find \$1 billion each year for 3 years in "misvalued" services. If CMS does not find \$1 billion, it will cut the conversion factor to make up the difference. That is why the conversion factor decreased by 0.29% in 2016 instead of increasing by the expected 0.5%.

ACTION ON CAPITOL HILL

These unanticipated and unjustified cuts have spurred organized ophthalmology to action. Although halting these codes is a tall task, it does not preclude ophthalmology from taking action to protect fair reimbursement rates for physicians.

The AAO protested not only the cuts but also the new methodology CMS employed. Joining us in this complaint is the RUC, whose vehement objections to the time-based methodology recognize the implications for future valuations throughout the rest of medicine.

We took these objections to a refinement panel in March. This multispecialty group of physicians, along with Medicare contractor medical directors, will review and discuss the work involved in the codes. This is the only formal appeals process allowed for contesting fee cuts, and because the panel serves in an advisory capacity, CMS is under no obligation to follow the panel's recommendations.

Knowing this, the AAO is mobilizing congressional support for this cause via a letter campaign in the House of Representatives. This effort earned the support of

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AT A GLANCE

- Reimbursement for Current Procedural Terminology codes 65855, 66170, and 66172 decreased beginning January 1, 2016.
- The Centers for Medicare & Medicaid Services unexpectedly cut deeper than the American Medical Association Resource-based Relative Value Update Committee had recommended.
- These unanticipated and unjustified cuts have spurred organized ophthalmology to action.

93 members of the House. Each signed one of two letters sent to CMS calling for the agency to reverse course on these cuts. Among these members are 35 with oversight of Medicare through their assignments to the House Committees on Ways and Means and on Energy and Commerce.

Meanwhile, a half-dozen of the biggest names in the Senate are rallying to ophthalmology's side, telling CMS that it must revisit its drastic cuts to glaucoma and retina reimbursements. In a letter, ophthalmologist Sen. Rand Paul, MD, (R-KY) and others pointed to the agency's change in methodology, warning that it could trigger similar problems across other medical specialties.

The crowning moment of this advocacy came at a House Medicare oversight hearing by the Energy and Commerce Committee on March 16. Rep. Larry Bucshon, MD, (R-IN) demanded answers from a high-ranking CMS leader on why the agency has not followed the recommendations of the RUC for ophthalmology codes.

NEW CMS TARGETS EMERGE

Going forward, ophthalmologists are likely to see continued downward pressure on reimbursement, particularly in office-based imaging. In 2015, optical coherence tomography was revalued by the RUC. CMS will comment on the RUC recommendations in a preliminary rule that will be published in July 2016 for implementation in 2017.

Stay tuned. The hits just keep on coming, but our specialty is not down for the count. ■

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