Continued on page 2
(Continued from page 1)

- **Self Referral Disclosure Law:** The Affordable Care Act (ACA) amends the in-office ancillary services exception to the self-referral law as applied to magnetic resonance imaging, computed tomography, and positron emission tomography, to require a physician to disclose to a patient in writing at the time of the referral that there are other suppliers of these imaging services, along with a list of other suppliers in the area in which the patient resides. CMS is proposing to require that the referring physician provide the patient with a list of ten alternative suppliers within a 25-mile radius of the physician’s office who provide the same imaging services. CMS proposes to implement this law on January 1, 2011, as making the policy retroactive would be impractical and CMS believes the policy must go through rule making. The list must include, name, address, phone number and distance from the physician’s office at the time of the referral. It is to be given to the patient at the time of referral and a signature on the disclosure is required and must be maintained in the medical record. CMS is currently not proposing to expand the list of procedures affected by this policy.

- **PQRI & E-Prescribing Proposals for 2011:** CMS is proposing to keep measure 147, the only nuclear medicine quality measure available. To see the varying options and details, visit the CMS fact sheet linked below.

- There continues to be NO changes for radiopharmaceutical payment methodology in the physician office or IDTF setting proposed for 2011. Technically, Radiopharmaceuticals (RP) such as FDG and 99mTechnetium based agents are not subject to the Deficit Reduction Act (DRA) nor are any drug or contrast agents. However, for radiopharmaceuticals, the carriers do have discretion in how they set their RP pricing. The majority of Medicare Administrative Contractors (MACs) currently pay based on invoice cost or average invoice with a very few holding on to the old percentage of average wholesale price (AWP) as noted the most current publication of Redbook.

- Consistent with requirements of the DRA, this 2011 proposed rule caps payment rates for imaging services under the physician fee schedule at the amount paid for the same services when performed in hospital outpatient departments. Since HOPPS is not yet published, the HOPPS CAPS rates are not available.

**President Signs Bill to Once Again Temporarily Postpones Cuts to Medicare Payments**

The President has signed a bill that will once again temporarily postpone cuts to Medicare payments. The “Preservation of Access to Care for Medicare Beneficiaries and Pension Relief Act of 2010” establishes a 2.2% update to the Medicare Physician Fee Schedule (MPFS) payment rates retroactive from June 1 through November 30, 2010. This update replaces the current 21.3% cut that went into effect on June 1.

The Centers for Medicare & Medicaid Services (CMS) has directed Medicare claims administration contractors to discontinue processing claims at the negative update rates and to temporarily hold all claims for services rendered June 1, 2010, and later, until the new 2.2 percent update rates are tested and loaded into the Medicare contractors’ claims processing systems. Effective testing of the new 2.2 percent update will ensure that claims are correctly paid at the new rates. We expect to begin processing claims at the new rates no later than July 1, 2010. Claims for services rendered prior to June 1, 2010, will continue to be processed and paid as usual.

Claims containing June 2010 dates of service which have been paid at the negative update rates will be reprocessed as soon as possible. Under current law, Medicare payments to physicians and other providers paid under the MPFS are based upon the lesser of the submitted charge on the claim or the MPFS amount. Claims containing June dates of service that were submitted with charges greater than or equal to the new 2.2 percent update rates will be automatically reprocessed. Affected physicians/providers who submitted claims containing June dates of service with charges less than the 2.2 percent update amount will need to contact their local Medicare contractor to request an adjustment. Submitted charges on claims cannot be altered without a request from the physician/provider. Physicians/providers should not resubmit claims already submitted to their Medicare contractor.
CMS to Correct Medicare Physician Fee Schedule (MPFS) PET Imaging Errors in Paid Rates

Beginning on May 24th, 2010, a number of members reached out to the SNM regarding a sudden spike in Medicare technical and global payments for PET studies, specifically for CPT codes 78811-78816, 78608, 78459, 78491, 78492 paid in the physician fee schedule. On June 3, 2010, CMS officials confirmed with the SNM that the recent update files submitted to Medicare administrative contractors and carriers, was incorrect and that a corrected file will be sent to the payers for the July 6th, 2010 MPFS update. During this discussion, the agency indicated that overpayments for claims already paid will be addressed on an individual contractor basis.

The SNM recommends that you contact your Medicare contractor for instructions regarding these overpayments. Click here for one example notice recently posted on the CAHABA website.

CMS Posts A Correction Notice for the Technical Component for Myocardial Perfusion Imaging

SNM is pleased to announce that the Centers for Medicare & Medicaid Services (CMS) released a technical correction to the 2010 Medicare Physician Fee Schedule, which results in an increase to the technical rates for myocardial perfusion imaging (MPI) codes (CPT 78451-78454). The correction is retroactive to January 1, 2010. SNM will update our charts and post on our web site next week. We are waiting CMS instructions regarding how and when providers of these services will be compensated for claims already paid. It is possible CMS and the contractors will issue a mass adjustment however we do not have details at this time. Additionally, the contractors will be allowed time to updated their current systems with the new rates.

The Society of Nuclear Medicine (SNM), the American Society of Nuclear Cardiology and the American Medical Association (AMA) met with CMS earlier this year to discuss errors made during the transition from 2009 codes for MPI to the new bundled codes for these services in 2010. The technical errors included incorrect practice expense times associated with equipment for CPT codes 78451-78454. See the table below showing the current technical and global payment national rates compared to the corrected rates.

SNM has worked diligently with CMS to achieve this correction to the 2010 Medicare Physician Fee Schedule and greatly appreciates the assistance and support of ASNC and the AMA on this issue. In the coming weeks, SNM will provide more information to assist members in notifying third party payers of this correction and the increased reimbursement rates and technical/global relative value units (RVUs) for the MPI codes.

Correction Table Myocardial Perfusion Imaging, Effective January 1, 2010, CF = 36.0846

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<thead>
<tr>
<th>CPT Code</th>
<th>Correction Payment</th>
<th>Previous Payment</th>
<th>Percent Difference</th>
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</thead>
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</table>


CMS stated, “CY 2010 New and Revised Codes: PE Corrections:

- The PE RVUs for 27 CPT codes are corrected due to technical errors. In the CY 2010 final rule with comment period, we provided interim acceptance of the RUC PE recommendations for the following CPT codes: 14301, 51728, 51728-TC, 51729, 51729-TC, 64490, 64491, 64492, 64493, 64494, 64495, 75571, 75571-TC, 75572, 75572-TC, 75573, 75573-TC, 75574, 75574-TC, 78451, 78451-TC, 78452, 78452-TC, 78453, 78453-TC, 78454, and 78454-TC. However, due to technical errors,
we did not apply the correct PE values to these codes in Addendum B. The PE RVUs in Addendum B reflect these corrections.

- Malpractice Corrections—There were technical errors in the MP RVUs for certain codes, primarily due to the assignment of risk factors associated with technical component (TC) services and the assignment of risk factors to selected codes that were inconsistent with the policies described in the CY 2010 PFS final rule with comment period or the prior policies left unchanged by the final rule. The MP RVUs in Addendum B reflect these corrections.

Societies Submit Comment Letter on CMS Proposed Decision Memorandum on PET Initial Treatment Strategy

The SNM, together with the Academy of Molecular Imaging (AMI), the American College of Nuclear Medicine (ACNM), the American College of Radiology (ACR), and the American Society for Radiation Oncology (ASTRO) submitted a comment letter in support of the Proposed Decision Memorandum of the Centers for Medicare & Medicaid Services (CMS) in regard to CAG-00181R3, which would amend the current absolute limit of permitting only one FDG-PET scan related to the initial treatment strategy for cancer patients, regardless of the clinical circumstances of their disease management and treatment planning. CMS has proposed a prudent and flexible approach that the societies believe reflects both the existing clinical literature and medically appropriate clinical practice.

SNM Submits Separate Comment Letter on CMS Proposed Decision Memorandum on PET Initial Treatment Strategy

On June 2, 2010, SNM submitted comments in support of the Proposed Decision Memorandum of the Centers for Medicare & Medicaid Services (CMS) in regard to CAG-00181R3, and as a supplement to the joint comment letter submitted in support of the Proposed Decision Memorandum by AMI, ACNM, ACR, ASTRO, and SNM on May 28, 2010. As articulated in the joint comment letter, SNM believes that CMS has proposed a flexible approach to the use of FDG-PET scans for initial treatment strategy, which reflects both the existing clinical literature and medically appropriate clinical practice.

In its comments, SNM highlighted the practical importance of ensuring that local contractors receive clear written direction from CMS regarding implementation of this policy, in the event that the Proposed Decision Memorandum is finalized. SNM believes that such clear direction will help to minimize the local-level confusion we have observed on similar previous occasions, where ambiguity in CMS direction regarding the exercise of local contractor discretion has unnecessarily complicated efforts to ensure consistent policy implementation.

NRC Announces New Member of ACMUI

The Nuclear Regulatory Commission has announced the appointment of John Suh, M.D. as a radiation oncologist representative on the Advisory Committee on the Medical Uses of Isotopes (ACMUI). The ACMUI was established in 1958 and advises the NRC on policy and technical issues related to the regulation of the medical use of radioactive material.

Dr. Suh received his bachelor’s and medical degrees from the University of Miami Miller School of Medicine in Miami, Fla. He completed his internship, residency and fellowship at the Cleveland Clinic in Ohio and joined the staff where he specialized in neuro-oncology and stereotactic radiosurgery and became the residency director in the Department of Radiation Oncology.

NRC Issues Proposed Rule on Physical Protection of Byproduct Material

The U.S. Nuclear Regulatory Commission (NRC) is proposing to amend its regulations to establish security requirements for the use and transport of category 1 and category 2 quantities of radioactive material, which the NRC considers to be risk-significant and therefore to warrant additional protection. Category 1 and category 2 thresholds are based on those established in the International Atomic Energy Agency (IAEA) Code of Conduct on the Safety and Security of Radioactive Sources which NRC endorses. The objective of this proposed rule is to provide reasonable assurance of preventing the theft or diversion of category 1 and category 2 quantities of radioactive material. The proposed regulations would also include security requirements for the transportation of irradiated reactor fuel that weighs 100 grams or less in net weight of irradiated fuel. The proposed rule would affect any licensee that is authorized to possess category 1 or category 2 quantities of radioactive material, any licensee that transports these materials using ground transportation, and any licensee that transports small quantities of irradiated reactor fuel. Comments are due by October 13, 2010.
NRC Issues Request for Comments on the Draft Policy Statement on the Protection of Cesium-137 Chloride Sources and Notice of Public Meeting

The U.S. Nuclear Regulatory Commission (NRC) is considering adopting a statement of policy on the protection of cesium-137 chloride (CsCl) sources. This statement would provide the Commission’s policy regarding secure uses of these sources at the present and express the Commission’s potential actions in the event that changes in the threat environment necessitate these actions. The purpose of this policy statement is to delineate the Commission’s expectations for security and safety of these sources. This draft policy statement is being issued for public comment. Additionally, the NRC is conducting a public meeting to solicit public input on major issues associated with the draft policy statement regarding the current use of certain forms of Cs-137 sources used by NRC- and Agreement State licensees. Furthermore, the NRC is requesting names of individuals to participate at the public meeting in separate roundtable panel discussions of the issues identified in Sections III and IV of this notice.

Comments on the draft policy statement are due December 17, 2010. Nominations for participation in the roundtable discussions of the public meeting are due by October 8, 2010. The public meeting will be held on November 16-17, 2010.

NRC Issues Revised Regulatory Guide: "Quality Assurance Program Requirements for Research and Test Reactors"

The US Nuclear Regulatory Commission (NRC) has issued Regulatory Guide 2.5, Revision 1, "Quality Assurance Program Requirements for Research and Test Reactors". The Regulatory Guide endorses guidance within ANSI/ANS–15.8, "Quality Assurance Program Requirements for Research Reactors," issued in September 1995, and reaffirmed in September 2005. This guide describes a method acceptable to the staff of the U.S. Nuclear Regulatory Commission (NRC) of complying with the Commission’s regulations with regard to the overall quality assurance program requirements for research and test reactors.

Contact hpra@snm.org to be notified by email of new newsletters.