

October 21, 2010

The Honorable Daniel Akaka 141 Hart Senate Office Building Washington, DC 20510

RE: Family physicians support elimination of consultation codes

Dear Senator Akaka:

On behalf of the American Academy of Family Physicians (AAFP), which represents more than 94,700 family physicians and medical students nationwide, I am writing to express our continued strong support of the decision by Centers for Medicare & Medicaid Services (CMS) in the final 2010 physician fee schedule to eliminate the use of consultation codes from the Medicare program. AAFP remains concerned that some medical specialty organizations (those not based on providing primary care services) are actively urging Congress to overrule CMS' decision. AAFP urges Congress not to interfere with this finalized policy.

As the Medicare agency accurately demonstrated in the proposed 2010 physician fee schedule and as the HHS Office of Inspector General has well documented, the distinction between consultations and other "evaluation and management" services became drastically blurred over the past several years. Prior to CMS' elimination of these codes, Medicare reimbursement for consultation services was at a higher rate than that of corresponding office and inpatient visit services despite similar work and documentation requirements. The confusion over billing consultation vs. "evaluation and management" codes resulted in the significant misuse of consultation codes. If Congress should reinstate the abandoned consultation codes, this policy reversal would result in the further exploitation of these codes, cause rampant billing confusion by medical practices, and ultimately result in Medicare improper and excessive payments.

CMS modestly (and in a budget neutral manner) increased the value of "evaluation and management" codes and updated the practice expense data values used to counteract the eliminated consultation codes. AAFP supports the agency's finalized policy changes, since "evaluation and management" codes are frequently used by family physicians. Despite the fact that family physicians also used the consult codes, AAFP supports this policy because it continues to be financially impossible to justify any payment differences between consultation codes and "evaluation and management" service codes now that their documentation

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requirements are similar. Since consultation codes have been removed from the Medicare program, physicians are all now enjoying less compliance risk due to this significantly simplified coding policy. Thank you for your attention on this matter. If we may be of further assistance, please contact Robert Bennett at rbennett@aafp.org.

Sincerely,

Lori J. Heim, MD, FAAFP

Board Chair