

June 26, 2009

The Honorable Charles Rangel
Chairman, House Committee
on Ways and Means
U.S. House of Representatives
Washington, DC 20515

The Honorable Henry Waxman
Chairman, House Committee
on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

Dear Chairmen Rangel and Waxman,

On behalf of the undersigned groups, we wish to comment on Section 1147 – Payment for Imaging Services – of the Health Care Reform Legislation Discussion Draft dated June 19, 2009. Specifically, we urge your Committees to exclude ultrasound and other less expensive imaging modalities from the definition of imaging services that would be subjected to an equipment use rate change of 75 percent versus the current rate of 50 percent. The House has previously considered and rejected the inclusion of ultrasound when changing the equipment utilization for sound policy reasons.

Ultrasound, more than other imaging modalities, is integrated into the clinical care provided by specialties whose primary occupation is direct patient care services, such as evaluation and management (e.g., office visits) and surgical procedures. Therefore, the use rate of ultrasound equipment is significantly lower than that of other imaging modalities which are used typically by physicians whose principal focus is providing imaging services. In fact, a survey conducted by American College of Obstetricians and Gynecologists in 2007 found that ultrasound is used by its members, on average, approximately 23.79 hours per 50 hour physician work week, verifying that the current equipment use rate of 50% used by Medicare to calculate practice expense relative value units for ultrasound procedures is accurate and should not be changed.

Also, because of the relatively low reimbursement rates for ultrasound procedures, ultrasound is one of the most cost-effective diagnostic imaging modalities currently available to physicians. Yet, recent analyses have shown that lower cost imaging modalities such as ultrasound have declined in use relative to more expensive imaging modalities. For patients this is a troubling statistic and one that directly impacts the quality and cost of their health care.

For example, ultrasound imaging in clinical practice enables faster diagnosis of breast cancer within as little as two days, whereas previously a surgeon had to do a more expensive open biopsy procedure and the patient and her family had to wait as long as 10 days to learn the result. Ultrasound is used to diagnose a wide variety of ophthalmic diseases. In particular, the migration of ultrasound from the hospital into less expensive health care settings has advanced treatment of age-related macular degeneration (AMD) and diabetic retinopathy. Ultrasound is a critical tool for emergency physicians where compared with conventional treatment, patients receiving point of care limited ultrasonography were transferred to operative care if needed in 64% less time (57 minutes versus 166 minutes), received fewer CT examinations limiting their radiation exposure and experienced a 27% reduction in length of stay (6.2 days versus 10.2 days).¹ And finally, continuous ultrasound guidance improves the safety of third-trimester amniocentesis and reduces costly complications.

Furthermore, research has also found that reverse substitution – or using ultrasound, where clinically appropriate, instead of other tests – could produce significant savings for the Medicare program. For example, according to a study published last year by the American College of Radiology, ultrasound

¹ Melniker LA, et al., “Randomized Controlled Clinical Trial of Point of Care, Limited Ultrasonography for Trauma in the Emergency Department” *Annals of Emergency Medicine*, Vol 48, No.3: September 2006.

could be used to make roughly one of every three musculoskeletal diagnoses currently done with MRI. If this substitution were realized, the healthcare system could save \$7 billion from 2006 to 2020. However, reductions in reimbursement for ultrasound procedures, such as changing the equipment utilization rate to 75 percent for ultrasound procedures will result in unsustainable payment rates, thus undermining the potential for this cost-saving substitution.

Ultrasound's clinical appropriateness is well established and its growth rate is moderate. There is no evidence that ultrasound services are currently overvalued. In fact, GAO found in its September 2008 report to Congress that after the implementation of DRA caps, the disparity in utilization between ultrasound and expensive, advanced imaging modalities continued to grow. Acknowledgement of this fact is reflected by the Congressional Budget Office's (CBO) December 2008 recommendations to Congress as well as MedPAC's recommendations on this issue – both of which exclude ultrasound and other inexpensive imaging modalities in their call for a change in the equipment use rate for only the advanced or over \$1 million imaging equipment.

Therefore, in recognition of these differences, we again urge you to exclude ultrasound from the definition of imaging services to which an increase in the equipment use rate formula is applied or any other reimbursement reductions directed at imaging services. Thank you for your consideration of these important concerns. We look forward to working with you to ensure that Medicare beneficiaries continue to receive safe, high-quality care. Should you have any questions, please contact Anna Hyde at 202-863-2512 or AHyde@acog.org.

Sincerely,

American Academy of Family Physicians
American Academy of Ophthalmology
American Association of Clinical Endocrinologists
American Association of Neuromuscular & Electrodiagnostic Medicine
American College of Obstetricians and Gynecologists
American College of Rheumatology
American College of Surgeons
American Medical Society for Sports Medicine
American Society of Anesthesiologists
American Society of Breast Surgeons
American Society of Echocardiography
American Urogynecologic Society
American Urological Association
Society for Maternal-Fetal Medicine
Society for Vascular Surgery
Society of Gynecologic Oncologists

CC:

The Honorable Dave Camp, Ranking Member, Ways and Means Committee
The Honorable Joe Barton, Ranking Member, Energy and Commerce Committee
The Honorable Pete Stark, Chairman, Ways and Means Health Subcommittee
The Honorable Frank Pallone, Chairman, Energy and Commerce Health Subcommittee
The Honorable Wally Herger, Ranking Member, Ways and Means Health Subcommittee
The Honorable Nathan Deal, Ranking Member, Energy and Commerce Health Subcommittee
Members, Ways and Means Committee
Members, Energy and Commerce Committee