July 20, 2011

Dear Senator/Representative,

The undersigned medical organizations, representing physicians and other health care provider organizations dedicated to high quality imaging, are writing to convey our strong opposition to payment cuts to medical imaging services and the introduction of prior authorization in any legislation, including the current negotiations surrounding the debt ceiling.

Over the past several years, legislative and regulatory changes have led to significant cuts in Medicare payments for advanced imaging and other diagnostic imaging procedures. Payments for some services have been reduced more than 60% between 2006 and 2013. (Attachment A) Continued reductions to imaging services cannot be absorbed by physician practices without impacting quality and access to high quality care. The volume of outpatient diagnostic imaging services began trending downward in 2007, and **in 2010, volume for both standard and advanced imaging services per fee-for-service beneficiary actually fell below the 2009 levels.** (Attachment B) Not surprisingly, some of these services also had begun to shift out of physician offices and into more expensive hospital outpatient departments, suggesting that another round of imaging cuts is not only unnecessary but also counter-productive. We strongly urge Congress not to apply additional payment cuts and restrictions on these services without carefully studying their effects on Medicare patients and the overall government spending.

Our groups are committed to ensuring appropriate provision of diagnostic imaging but experience with private payers suggests that a prior authorization requirement would impose a significant burden on the Medicare program, increase affected physicians' practice costs, and lead to delay or denial of medically necessary care. For example, 63 percent of the 2400 physicians responding to an American Medical Association survey said they typically wait several days for a response to a prior authorization request and 13 percent generally wait more than a week. Patients whose physicians focus on conditions that almost always require diagnostic imaging could be particularly at risk because the requirement ignores factors such as patient demographics and clinical mix.

While radiology benefits managers and companies that sell black box software edits contend that their products can save money, studies cited in MedPAC's June 2011 Report to Congress suggest that these savings do not extend beyond the first year. The Office of Inspector General found that Medicare's previous foray into prior-authorization was not cost effective. Experience in the state of Minnesota suggests that equal or greater savings can be achieved with a less intrusive approach that uses computerized decision support tools that incorporate appropriateness guidelines developed by the medical profession and do not involve "hard denials" of care. **Medicare has recently launched a test of this approach and the results of this demonstration should be evaluated before other alternatives are imposed.**

Taken together, these provisions would exacerbate an already challenging situation for physicians who serve Medicare patients by taking additional dollars away from Medicare, all

while doing nothing to address the broken and unsustainable Medicare physician payment system. Therefore, we urge that they be removed from further consideration. We stand ready to work with Congress to ensure that any future policy changes affecting diagnostic imaging take into account the substantial changes that already have been implemented by CMS, by Congress and by diagnostic imaging providers, and ensure that patients retain access to diagnostic services performed in physicians' offices.

American Academy of Neurology
American Association of Clinical Urologists
American Association of Neurological Surgeons
American Association of Orthopaedic Surgeons
American Academy of Ophthalmology
American College of Cardiology
American College of Rheumatology
American Gastroenterological Association
American Medical Group Association
American Society of Echocardiography
American Society of Neuroimaging
American Society of Nuclear Cardiology
American Urological Association
Association of Black Cardiologists
Cardiology Advocacy Alliance
Large Urology Group Practice Association
Medical Group Management Association
Society for Cardiovascular Angiography and Interventions
Society of Cardiovascular Computed Tomography
Society for Cardiovascular Magnetic Resonance
Society for Vascular Surgery