



August 17, 2006

Mark B. McClellan, M.D., Ph.D.
Administrator, Centers for Medicare and Medicaid Services
Hubert Humphrey Building
200 Independence Avenue, S.W.
Washington, D.C. 20201

RE: Office of the Inspector General (OIG) Report: *Review of Claims Billed by Independent Diagnostic Testing Facilities for Services Provided to Medicare Beneficiaries During Calendar Year 2001* (A-03-03-00002)

Dear Dr. McClellan:

The Coalition for Patient-Centered Imaging (CPCI) represents more than 20 health care organizations committed to ensuring that patients have full access to high quality, efficient, and up-to-date medical imaging technology.

We appreciate the efforts of the Centers for Medicare and Medicaid Services (CMS) in asking the OIG to audit claims billed by Independent Diagnostic Testing Facilities (IDTFs). Objectives of the audit were to determine whether services that IDTFs provided to Medicare beneficiaries were reasonable and necessary; ordered by a physician; and sufficiently documented. OIG also sought to determine whether IDTFs operated in accordance with their initial enrollment applications and subsequent update filings.

The audit found that Medicare IDTF services were not always reasonable and necessary and were also often not ordered by a physician, nor sufficiently documented. Additionally, the majority of IDTFs surveyed did not operate in accordance with their initial enrollment applications and succeeding filings.

We agree with the OIG's recommendations to combat fraudulent imaging service providers and applaud your preliminary indications that CMS plans to implement them, with the exception of undertaking site inspections. This idea was rejected not for lack of merit, but because of a paucity of funds.

In discussions of controlling growth in the utilization of imaging volume, some have suggested applying Medicare rules and regulations pertaining to IDTFs more broadly to physicians' offices doing diagnostic imaging. IDTFs were born from attempts to secure the fraud and abuse vulnerabilities discovered in their predecessor entities, the Independent Physiological Laboratories (IPLs). CMS endeavored to solve problems and misuse by creating a new provider category with attendant rules.

The OIG's recent report, A-03-03-00002, indicates that in spite of extant rules and requirements, Medicare program integrity at IDTFs remains at risk. The expected remediation of abusive practices of the past has not happened, and results of newly proposed additional rules for IDTFs will not be known for some considerable time. Therefore, CPCI suggests that application of Medicare's IDTF standards to

physicians' offices makes little sense and should not even be considered until the effectiveness of the latest proposed changes can be fully evaluated.

Mechanisms to ensure the quality and safety of medical imaging will not control imaging utilization and costs in physician offices. They were neither construed nor implemented for that purpose. CPCI believes that assuring quality of imaging services is pivotal to good patient care. Rather than expanding ineffective IDTF rules as a method to protect program integrity, CMS should rely on the current work of professional medical organizations to ensure and enhance the quality and safety of advanced diagnostic medical imaging performed by their members.

Professional medical organizations are developing training standards for residency and continuing medical education (CME) programs on MR, CT, and PET; creating appropriateness criteria, and guidelines for employing MR, CT, and PET; and other quality-improvement tools, such as performance measures. The Federal government should allow the current system to continue and not duplicate or override specialty society efforts to promote quality. CMS should not apply IDTF standards to physicians' offices.

Please feel free to contact George Roman at (202) 383-0033, extension 342, if you have any questions or require additional information.

Sincerely,

American Academy of Neurology
American Association of Clinical Urologists
American Association of Neurological Surgeons
American Association of Orthopaedic Surgeons
American College of Cardiology
American College of Obstetricians and Gynecologists
American College of Surgeons
American Gastroenterological Association
American Medical Group Association
American Society of Breast Surgeons
American Society for Gastrointestinal Endoscopy
American Society of Neuroimaging
American Society of Nuclear Cardiology
American Urological Association
Congress of Neurological Surgeons
The Endocrine Society
Medical Group Management Association
Society for Cardiovascular Angiography and Interventions
Society for Cardiovascular Computed Tomography

cc: Members of the House Energy and Commerce Subcommittee on Health
Members of the House Ways and Means Subcommittee on Health
Members of the Senate Finance Subcommittee on Health Care