

Dateline|Washington

prepared by the Division of Advocacy and Health Policy

CMS issues fee schedule

On November 1, 2007, the Centers for Medicare & Medicaid Services (CMS) released its final rule on the 2008 Medicare physician fee schedule. The regulation includes important payment policy changes for Medicare physician services, which, at press time, were scheduled to take effect January 1.

Of particular interest, the regulation provided that a 10.1 percent across-the-board reduction in Medicare physician payments would be implemented unless Congress intervened by the end of 2007. Without congressional action, the fee schedule conversion factor was set to drop from \$37.8975 to \$34.0682. Other important provisions in the final rule call for the following actions:

- Increasing the physician work relative values for anesthesia services by 32 percent
- Revising the geographic practice cost indices for the physician work, practice, expense, and malpractice components of the fee schedule to reflect more current cost data
- Extending the Physician Quality Reporting Initiative through calendar year 2008

For a detailed discussion of the provisions of the final rule, see “What surgeons should know about... The 2008 Medicare fee schedule” on page 8. The full text of the regulation may be viewed on the CMS Web site, at <http://www.cms.hhs.gov/physicianfeesched/downloads/CMS-1385-FC.pdf>.

ACS testifies on stereotactic breast biopsy

On November 5, ACS Executive Director Thomas R. Russell, MD, FACS, and Shawna Willey, MD, FACS, testified before a U.S. Food and Drug Administration (FDA) advisory committee on a proposal to regulate stereotactic breast biopsy under the Mammography Quality Standards Act (MQSA). The National Mammography Quality Assurance Advisory Committee to the FDA convened the hearing to discuss possible modification of the definition of mammography under the MQSA to include stereotactic breast biopsy.

Dr. Willey, director of the Betty Lou Ourisman Breast Health Center at Georgetown University Hospital, Washington, DC, noted that the proposed changes could have detrimental effects on patients who need breast biopsy and, ultimately, on their access to care.

Dr. Russell said that federal regulation of interventional medical procedures, such as stereotactic breast biopsy, is inappropriate under the MQSA in the absence of a clinically significant mammography-related problem and that MQSA standards need to address that specific discrepancy. In addition, Dr. Russell said that no federal regulation should restrict the type of physician who can provide services or procedures. Technology is driving a diverse spectrum of health care professionals together, he noted, and it is obscuring the lines with regard to which specialists are qualified to use certain imaging technologies.

For more information about the College’s testimony, contact Christal Edwards, Esq., Regulatory Associate, Division of Advocacy and Health Policy, at cedwards@facs.org.

\$3 million appropriated for trauma

On November 6, the U.S. House of Representatives passed the conference report on H.R. 3043, the fiscal year (FY) 2008 Labor–Health and Human Services–Education (L-HHS-E) spending bill. The conference report provides \$3 million in funding for the Health Resources and Service Administration (HRSA) Trauma-EMS (Emergency Medical Services) Program. Unfortunately, the 269-142 vote (with 22 members not voting) is short of the 290 votes needed to override an expected presidential veto, assuming all 435 members of the House vote. The following day, the Senate passed its spending bill by a vote of 56-37. However, because the L-HHS-E conference report exceeded the administration’s spending target by approximately \$10 billion, President Bush vetoed the bill. At press time, the legislation was in the process of being renegotiated. For more information, contact Adrienne Roberts, Government Affairs Associate, Division of Advocacy and Health Policy, at aroberts@facs.org.

CBO projects increased health care spending

A recent Congressional Budget Office (CBO) report examines the implications of current public and private sector U.S. health care spending trends over the next 75 years. CBO projections suggest that in the absence of changes in federal law, total health care expenditures will rise from 16 percent of gross domestic product (GDP) in 2007 to 25 percent in 2025, 37 percent in 2050, and 49 percent in 2082. Federal spending on Medicare and Medicaid will rise from 4 percent of GDP in 2007 to 7 percent in 2025, 12 percent in 2050, and 19 percent in 2082. Factors cited as important contributors to the growth in health care spending include technological innovation, higher personal income, and aging of the population. One policy option suggested to help reduce Medicare and Medicaid costs is greater reliance on “comparative effectiveness” strategies to change the behavior of physicians and patients. The full text of the report, *The Long-Term Outlook for Health Care Spending*, can be accessed at <http://www.cbo.gov/ftpdocs/87xx/doc8758/11-13-LT-Health.pdf>.

AMA honors New Jersey Chapter administrator

During its 2007 Interim Meeting of the House of Delegates, the American Medical Association (AMA) honored Arthur R. Ellenberger, Executive Director of the New Jersey Chapter of the American College of Surgeons and the Essex County Medical Society, with the 2007 Medical Executive Meritorious Achievement Award. The award recognizes a medical association executive who has demonstrated exceptional service and contributions to the goals and ideals of the medical profession. Mr. Ellenberger became the first executive director of the Essex County Medical Society in 1952 and the first Executive Director of the New Jersey Chapter of the ACS in 1962. Throughout his service to both organizations, he has been a firebrand for medical liability and Medicare payment reforms. In acknowledgment of his dedication to the New Jersey Chapter and to the surgical profession as a whole, the American College of Surgeons established the Arthur Ellenberger Award for Excellence in Advocacy in 2003, which is presented during the ACS Leadership Conference.