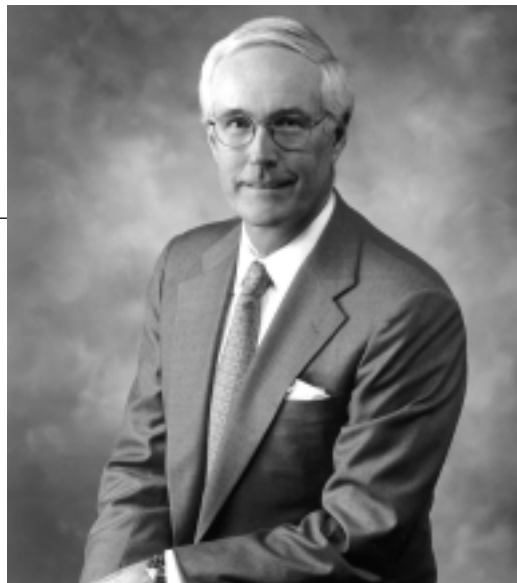


From my perspective



Historically, surgical services have been viewed as comprehensive treatment packages that include pre- and postoperative care in addition to the operation itself. However, as the basis for Medicare payment moved from the “usual and customary” standard to the current Medicare fee schedule, a new national definition of global surgical services developed. Until that time, local Medicare carriers followed literally dozens of global service policies. We have now come to understand that global services include not only the operation, but preoperative care for the 24 hours before surgery and postoperative care for either 10 or 90 days, depending on the nature of the procedure.

Adding strength to the policy, the so-called correct coding initiative ensures that procedure codes that typically comprise the various components of a global service cannot be “unbundled” and charged separately.

Negative impact

Surgeons have discussed with me and other staff of the College the very significant impact of the global services concept. First of all, it certainly has constrained the growth of and payment for surgical services. Medicare had inaccurately predicted that surgeons who would experience significant reductions because of the implementation of the fee schedule would compensate for the shortfall by increasing the volume of services they provide. Such an increase in services never occurred.

Further, the new payment system undervalued many surgical services even though the cost of paying separately for each component of a bundled service would have been much higher. The College’s General Surgery Coding and Reimbursement Committee recognized this problem and advised Medicare officials that many services needed to be assigned higher relative value units, using a “building block” methodology. The committee succeeded in persuading those officials that many of these comprehensive services should be paid at a higher level.

“The structure of the global surgical fee makes clear that it is our responsibility as surgeons to remain intimately involved in postoperative treatment if we intend to be paid the global fee.”

Unfortunately, the reduction in the 2002 conversion factor undid many of these gains.

Another problem with the global fee is that it does not account for the difficulty of some cases. It assigns values based on the work and other resources needed to care for the “typical patient” and does not take anything else—such as the patient’s severity of illness, age, or complicating factors—into account.

Positive aspects

On a more positive note, the global surgical service structure attempts to maintain continuity of care during the postoperative period because payment is locked into the provision of follow-up services. As a result, surgeons cannot

be barred from having access to their patients in the intensive care unit or from otherwise treating or directing the postoperative care of their patients.

The College strongly believes that surgical care involves treatment of the patient throughout the course of the disease or condition that necessitated the operation. This belief is the premise behind the College's ban on itinerant surgery.

The structure of the global surgical fee makes clear that it is our responsibility as surgeons to remain intimately involved in postoperative treatment if we intend to be paid the global fee. While delegating postoperative care to associates or teams of specialists is often appropriate and necessary given the complexities of modern postoperative management, surgeons are responsible for maintaining personal involvement with the patient and his or her family after the operation is completed.

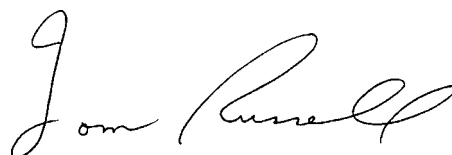
One other positive aspect of the global surgical fee is that in some respects it protects surgeons from audits. To receive payment for a global surgical service, surgeons are obligated to document that they performed the procedure and supervised the case postoperatively. However, they do not need to document the level of the postoperative visit services they perform.

Outlook

Whatever one's views about the global service methodology may be, it certainly will be with us for the foreseeable future. In recent years, the CPT editorial panel has considered proposals to abandon the concept, but Medicare has indicated that it is determined to retain the policy. Meanwhile, some parties have expressed interest in expanding the system to encompass other areas of medicine, such as the treatment of chronic medical conditions, but this concept has not received a great deal of consideration.

The College has continually expressed its concerns about components of the Medicare fee schedule that pose problems for surgeons. We are just as steadfast in our efforts to work with

the surgical specialty societies and with Medicare administrators to resolve these issues as we are in stressing the need for surgeons to have direct contact with their patients before, during, and after an operation.



Thomas R. Russell, MD, FACS

If you have comments or suggestions about this or other issues, please send them to Dr. Russell at fmp@facs.org.