

INTEGRATING ULTRASOUND SERVICES INTO YOUR PRACTICE – FIVE REASONS DECEMBER 2016 COULD BE THE RIGHT TIME

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While there has been quite a bit written since the election regarding the future of the Affordable Care Act (ACA) under a President-Elect Trump Administration and a Republican Congress, it is important that physicians and their office administrators understand the real impact.

The issues being discussed in the ACA repeal and replace debate is how to make sure that all Americans are covered by some level of health insurance and the best mechanisms to do that, as well as how to change from the current mechanisms of an individual mandate enforced through penalties to a system that uses tax credits and health care savings accounts. Nothing that is being discussed deals with physician's reimbursements, quality reporting, or the implementation of Appropriate Use Criteria for the ordering of advanced imaging services. It would be unfortunate if physicians were to miss the opportunity of no SGR cliff, an increasing conversion factor and ultrasound services payments from Medicare to add new systems or upgrade their existing ultrasound systems. This article enumerates five reasons why now could be the right time for your practice to invest in ultrasound systems.

• Section 179 Tax Incentive

The IRS Section 179 tax incentive allows small businesses to deduct \$500,000 on equipment investment costs (up to \$2M.) You can write-off the entire cost of a new ultrasound machine(s) (instead of writing off the depreciation of the equipment's value over several years). This will help to lower your practice's overall tax burden.

• Lower Cost of Reporting Under First Year of Medicare's Merit-based Incentive Payment System (MIPS)

The Centers for Medicare and Medicaid Services (CMS) has announced that 2017 will be a transition year for physicians reporting into the new valued-based payment program for physicians. CMS is conducting a program where physicians can go, "At their Own Pace," with quality and clinical practice improvement activities. This means that to avoid a 4% negative adjustment, physicians must report on one quality measure or one clinical practice improvement activity by October 2, 2017. However, the more that physicians report – up to six quality measures, three CPIA, and some meaningful use of electronic health record – the more possibility of bonus money and the bonus being a larger amount. If your practice is presenting reporting on the required 9 quality measures and meaningful use of electronic health records to avoid the 9% penalty in 2018, based on 2016 reporting, 2017 reporting will cost less and the probability of not getting a penalty in 2019 will be more certain.

• The 2017 Physician Fee Schedule Conversion Factor increases to \$35.89

With the enactment of the Medicare Access and CHIP Reauthorization Act of 2017, the days of worrying about a large cut in Medicare physician's payments, if Congress did not act at the end of the year, are over. Instead, physicians now enjoy stability in the conversion factor and for the next few years, increases in the amount of overall money available by Medicare for physician payments. This caused an increase in the 2017 conversion factor and physicians can take advantage of that for providing access to more community-based services for their patients.

• Positive increases in relative value units (RVUs) and in payments for diagnostic ultrasound services performed in the office in 2017.

Due to some changes regarding the practice expense equipment inputs for PACS systems in a physician's office, the relative value units for diagnostic ultrasound services increase starting January 1, 2017. As this increase is due to an equipment addition, it impacts office-based ultrasound services versus those provided in a hospital-based setting.

• If you perform imaging for MSK and specialize in taken care of the shoulder, now is the time to prepare for Appropriate Use Criteria.

In the Final Medicare Physician Fee Schedule Rule for 2017, CMS finalized the initial eight areas where it would analyze whether a physician is an outlier regarding ordering advanced diagnostic imaging services. One of the eight areas is shoulder pain with an emphasis on rotator cuff. This is an area where many appropriate use criteria, including those from the American College of Radiology, have the use of ultrasound to diagnose shoulder pain as the top imaging modality. If your practice only has access to an MRI to diagnose shoulder pain, now may be the time to invest in ultrasound to ensure your practice doesn't get the prior authorization penalty requirement in future years.

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