

## RPA's Regulatory and Legislative Update: 2006-2007

Presented to the  
Renal Physicians Association  
Annual Meeting  
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## Overview

- Changes in Physician Payment Affecting Nephrology
- Other Key Regulatory Developments of the Past Year
- Legislative Update
- RPA's Advocacy Agenda for 2007
- Outlook for Future



## Changes in Physician Payment Affecting Nephrology

- Congress Did Fix the Conversion Factor
- However, Significant Changes in Work RVUs Affected Nephrology, and All Specialties
- Most E&M Code Work Values Increased
- However, Budget-Neutral 'Pay-For' Reduces ALL Work RVUs by 10%
- Thus, Total RVUs for All Services Not Increased by E&M Change Reduced by Between ~6 and ~9 %



## Changes in Physician Payment Affecting Nephrology

- This Results in Approximate 8% Payment Reduction for G0317 (\$308 to \$283), and for CPT code 90935 (\$73.12 to \$67.46)
- RPA Sought Relief From These Cuts By Recommending Revisions Based on Use of E&M 'Building Blocks' in Valuing Dialysis Services, But CMS Did Not Implement Recommendation



## Changes in Physician Payment Affecting Nephrology

- RPA is Addressing This Situation by:
  - Calling on Friends in Congress to Inquire with CMS Regarding Decision-making
  - Meeting with CMS Senior Staff
  - Prospectively Conducting RPA RUC Discussion Group Surveys
  - Developing Proposal for Evaluation by RUC for 2008 Medicare Fee Schedule



## Other Key Regulatory Developments of the Past Year

- Finalized EPO Payment Policy
- Conversion of CMS PVRP Proposal to PQRI Proposal
- JCAHO CKD Certification Program
- Status of Final Rule on Dialysis Facility Conditions for Coverage



### Finalized Draft EPO Payment Policy

- Final Revised Policy Released in August, 2006
- Excludes Home Patients Receiving EPO
- Clarifies 25% Dose Reduction When Hct/Hgb Reaches 39/13
- Maintains Stance That Doses in Excess of 500,000 are “Medically Unbelievable”
- Revisions Retroactive to 4/1/2006
- Policy Not Without Controversy



### Conversion of CMS PVRP Proposal to PQRI Proposal

- CMS Established PVRP in 2006 as Expedient Methodology for QM Reporting
- TRHCA Legislation Mandated Physician Quality Reporting Initiative (PQRI)
- PVRP Discontinued as of 3/1/2007, Measures Incorporated into PQRI
- PQRI Program Effective 7/1/2007



### Conversion of CMS PVRP Proposal to PQRI Proposal

- CMS Has Established Considerable Infrastructure for PQRI Program
- However, Many Fundamental Questions Remain Unresolved in Areas Such as Data Validation and Reporting Levels
- Nephrology Measures Currently in PQRI Measure Include Dialysis Dose and Hemoglobin Level



### JCAHO CKD Certification Program

- RPA Lead Successful Effort for AMA Resolution Calling for Cessation of Program
- RPA Leadership Has Met with JCAHO on Certification Program for CKD “Clinics”
- RPA, ASN, and ASPN Sent Letter to Combined Membership in Fall Urging Cautious Approach to Program
- JCAHO has Indicated that Marketing Efforts Now Aimed at Primary Care, Not Nephrologists



### Final Rule on Dialysis Facility Conditions for Coverage (CFC)

- Final Rule Being Delayed Due to Discretionary Nature of Regulation (Not Calendar Dependent)
- Expectation is that Final Rule will be Released in Fall 2007



### Legislative Update

- Passage of Major Legislative Initiatives Few and Far Between in 2006
- Legislative Efforts Hampered by:
  - Distraction of Mid-Term Elections
  - Constant Budgetary Limitations
  - Post-Election Hangover(s)



## Legislative Update

- Tax Relief and Health Care Act (TRHCA) Legislation Passed 12/2006
- Includes Conversion Factor Fix, Composite Rate Update, PQRI Initiative
- KCQA Bill, Health IT, Medical Liability Reform Unsuccessful in 2006



## RPA's Advocacy Agenda for 2007

- Action Briefs
  - Access to Care/Medicare Reimbursement
  - Kidney Care Quality and Education Act
  - Health Information Technology Legislation



## RPA's Advocacy Agenda for 2007

- Information Briefs
  - Fair Reimbursement for Dialysis (G-Code Reimbursement)
  - Medical Liability Reform
  - Immunosuppressive Drug Coverage
  - Daily Dialysis
  - Quality Measure Development



<p><b>RPA</b> Renal Physicians Association</p> <p><b>RENAL PHYSICIANS ASSOCIATION 2007 ADVOCACY AGENDA</b></p> <p><b>The RPA will continue to advocate for excellence in nephrology practice and in 2007 will focus on important issues facing medicine.</b></p> <p><b>Medicare Physician Payment Reform and Ensuring Quality of Care</b> To preserve patients' access to quality care, the RPA will continue to advocate that Congress enact equitable and permanent Medicare physician payment reform that replaces the unsustainable growth rate (GCR) formula. While RPA supports incorporating a payment methodology that provides incentives for quality improvement, RPA also believes that adding another payment methodology to an already flawed system will produce further confusion and complications for both Medicare physicians and the beneficiaries who depend upon their care. RPA, therefore, will pursue improvements in the Medicare physician payment methodology including removal of the GCR formula from the methodology in conjunction with quality improvement-based revisions.</p> <p><b>Kidney Care Quality and Improvement</b> The RPA is committed to ensuring high-quality care for all kidney patients, and as a result supports comprehensive and responsible Medicare coverage for services provided to all kidney patients. While the Medicare BSRD program continues to play a vital role in assuring access to high-quality, lifesaving treatment for patients suffering from kidney failure, it has not kept pace with changing national needs. Therefore, Congress should enact the "Kidney Care Quality and Improvement Act." This legislation will:</p> <ul style="list-style-type: none"> <li>• Establish educational programs that improve patient care and quality of life for patients with BSRD and chronic kidney disease (CKD).</li> <li>• Establish a three-year Continuous Quality Improvement (CQI) program for the Medicare BSRD Program to assure that BSRD payments support high-quality care.</li> <li>• Improve BSRD patient coverage through identification and elimination of barriers that serve to discourage home dialysis.</li> </ul> <p><b>Implementing Health Information Technology to Improve Patient Care</b> To ensure a more economically efficient health care system that fosters quality patient care, RPA urges Congress to enact comprehensive Health Information Technology (HIT) legislation. Significant evidence suggests that if the United States were to invest in the creation of a HIT infrastructure, there would be a substantial benefit, both in savings and quality of care.</p>	<p><b>The RPA will continue to advocate for excellence in nephrology practice and in 2007 will focus on important issues facing medicine.</b></p> <p><b>Malpractice Insurance Costs Threaten Patient Care</b> Skyrocketing malpractice insurance costs are hindering access to quality care for millions of Americans suffering from kidney disease and related disorders. RPA will continue to advocate for lower medical malpractice premiums to ensure that nephrologists can provide quality care to kidney patients and will work with Congress to enact medical liability reform that regulates lawsuits for health care liability claims.</p> <p><b>Expanding Coverage of Immunosuppressive Drugs</b> RPA believes that in order to improve the efficiency of Medicare spending and the quality of life for kidney disease patients by preventing transplanted patients from returning to dialysis, Congress should enact legislation to extend coverage of immunosuppressive drugs for Medicare transplant beneficiaries.</p> <p><b>Daily Dialysis Improves Health Status and Quality of Life</b> RPA continues to believe that many kidney dialysis patients could benefit from more frequent dialysis sessions. In fact, a number of small-scale clinical trials have found that more frequent dialysis treatments result in significant short-term and long-term clinical benefits. Therefore, RPA will continue to urge Congress to pass legislation directing Medicare to publish regulations allowing for equivalent payments for more frequent dialysis treatments.</p> <p><b>RPA</b> Renal Physicians Association</p> <p>1700 Rockville Pike • Suite 210 • Rockville, MD 20852 Phone (301) 469-3514 • Fax (301) 469-3511 www.renalmd.org</p> <p>March 2007</p>
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## Outlook for the Future

- Despite Difficult 2007 Scenario for Nephrology Payment, RPA Seeking Positive Revisions for 2008
- Movement Toward Implementation of Other Initiatives More Deliberate, But Steady
- Legislative Arena Marked by Upheaval, Unpredictability, RPA Advocacy Efforts Ongoing



## How You Can Be Involved

- Advocacy on a national level
  - <http://www.capwiz.com/renalmd/home/>
  - [http://www.renalmd.org/general/c\\_pac.cfm](http://www.renalmd.org/general/c_pac.cfm)
- Local and regional advocacy
  - <http://www.renalmd.org/ncap/index.cfm>



Thank You

