



Issue Brief

Issue: Re-Valuation of Pathology Services

Issue Synopsis:

High volume anatomic pathology codes are headed for reduction beginning in 2013. This is in addition to an overall pathology payment cut in 2013 of one percent aimed at all non-primary care physicians to offset a new primary care initiative and a one percent reduction due to the final year of a four-year transition for change in practice expense methodology. CAP continues to advance unique strategies for each targeted code family to best protect reimbursement for services which the Centers for Medicare and Medicare Services (CMS) has targeted as overvalued.

Status:

CMS will announce changes in the technical component (TC) reimbursement in November 2012 with a January 1, 2013 effective date for the 88305 code family. Reductions are expected in the TC of 88300 – 88305. The Health Care Reform law empowered CMS to review and revalue high volume codes from all specialties as potentially overvalued services. CMS flagged the PC and TC of 88305 for review last year. CAP was able to mitigate the impact on pathologists by limiting the review to the 88305 TC, after successfully arguing that the 88305 professional component (PC) had been reviewed as recently as April 2010. CAP continued to advocate through its participation in the AMA/Specialty Society RVS Update Committee (RUC) process. However, scrutiny of the costs associated with the TC has increased since the TC was originally valued in 2000.

Future Outlook:

There is a 1% cut to pathologists to fund increases to primary care physicians in 2013. This cut is separate from the reductions resulting from the revaluation of the 88305 TC and is also shared by other non-primary care specialties. CMS also identified as potentially overvalued payment for the PC and TC of immunohistochemistry, in situ hybridization and enhanced cytopathology techniques. Any payment changes for these services would be announced next year for implementation in January 2014.

For More Information:

Contact Todd Klemp at tklemp@cap.org Find more information at www.cap.org