

## **CMS DRASTICALLY REDUCES EDX REIMBURSEMENT**

In 2013, The Centers for Medicare & Medicaid Services (CMS) significantly reduced the reimbursement for services provided by electrodiagnostic (EDX) physicians. EDX physicians (trained in neurology and psychiatry - physical medicine and rehabilitation) perform needle electromyography (EMG) and nerve conduction studies (NCS) that diagnose neuromuscular conditions such as ALS (Lou Gehrig's), muscular dystrophy, carpal tunnel, and neuropathy.

AANEM, along with other stakeholder groups, had worked with the American Medical Association's Relative Value Scale Update Committee (RUC) to reach agreement on new values for several needle EMG and nerve conduction codes. The proposed values were lower than previous values, and were based on survey data from providers. However, when setting the 2013 fee schedule, CMS did not follow the RUC's recommendations, but instead unilaterally reduced further the RVUs for EMG and nerve conduction codes. While CMS does not have to follow the RUC's recommendations, historically they have accepted 95% of the RUC recommendations.

These results were appealed to the CMS Refinement Panel, and their decision was announced in the 2014 Medicare Fee Schedule Final Rule. Despite a positive recommendation from the Panel, CMS chose to ignore their recommendations and only marginally increased 2 of the 8 EDX CPT billing codes under review. These slight modifications were given only to the EMG codes, and under the best case scenario, would result in a \$5.45 and \$8.85 per procedure increase.

## **REIMBURSEMENT CUTS AFFECT PATIENT CARE AND PHYSICIAN PRACTICE**

Continuation of these drastic reimbursement reductions for EDX procedures has and will continue to have catastrophic consequences for patients who depend on physicians to care for complex and often chronic neurologic diseases. These cuts undermine the chance that medically necessary EDX procedures will be performed early in the disease state or that the number of studies performed will be extensive enough to diagnose complex diseases. In diseases such as ALS, muscular dystrophy, and myasthenia gravis, early diagnosis is essential. In more common conditions such as cervical and lumbosacral radiculopathies, carpal tunnel syndrome, and ulnar neuropathies, performing the right EDX study at the right time avoids missed or inaccurate diagnoses and allows the correct treatment to occur sooner, saving healthcare dollars and decreasing patients' pain and suffering.

We also are concerned that many providers will no longer be able to provide EDX testing, and more costly studies or treatment will be performed instead.

In 2013, CMS had projected that these new NCS codes would create a 7% loss in Medicare payments to neurologists and a 4% loss to physiatrists. However, these projections failed to recognize the true impact the reductions will have on patients who need care and practices more focused on EDX medicine.

AANEM survey data indicates that more than 40% of neurologists and 55% of PMR physicians utilized needle EMG and nerve conduction studies to diagnose neuromuscular disorders. Survey data also

indicates that, on average, neurologists and physical medicine and rehabilitation physicians spend 34% of their practice performing EDX testing.

The RVUs that CMS has established for EMG and nerve conduction codes in 2013 has resulted in a 40% to 70% reduction in reimbursement for these procedures provided to Medicare patients.

## **RECOMMENDATIONS**

AANEM understands the difficult choices facing CMS during this challenging time of healthcare reform and scarce budget resources. However, these cuts place a disproportionate share of the burden on a very vulnerable segment of our population – those suffering from neuromuscular disorders. Therefore, we urge CMS to continue working with the affected physician and patient advocacy groups to provide fair and appropriate reimbursement for these important services.

*In addition, AANEM encourages CMS and other private payers to:*

- Only pay for qualified providers to perform nerve conduction studies and EMG testing – neurologists and physical medicine and rehabilitation physicians.
- Consider AANEM laboratory accreditation, American Board of Electrodiagnostic Medicine (ABEM) certification, and other screening methods to identify trained providers and technicians.
- Require the physician supervising technicians be neurologists and physical medicine and rehabilitation physicians instead of allowing any physician to be considered the supervising physician.
- Set policy to exclude payment for studies performed using nontraditional devices that are incapable of real-time wave-form display and analysis and/or incapable of performing both NCS and EMG testing.

## **ABOUT AANEM**

AANEM was founded in 1953 and has grown to more than 5000 neuromuscular physician and nonphysician members. The membership is primarily neurologists, physical medicine and rehabilitation physicians, technologists, and other physician collaborators. Our physician members diagnose and treat patients with disorders of muscle and nerve, such as carpal tunnel syndrome, Guillan-Barre syndrome, Lou Gehrig's disease (ALS), and muscular dystrophy. Often, patients are referred for complaints such as numbness, tingling, pain, weakness, or muscle cramping.

