



Public Affairs Update

HCFA is Ready for Y2K. Are You?

At a recent HCFA meeting, representatives informed physicians, providers, billing services, and others who handle billing that the agency will be ready to process claims on January 1, 2000. HCFA claimed that the 785 different computer systems within its organizations have been checked and rechecked, and there should be no delay with payment processing because of Y2K problems. Even if a rare error should arise, contingency plans are in place. In fact, HCFA's real concern is that physicians are not prepared for the upcoming changes.

By January 1, 2000, physicians and their billing services are expected to submit payment forms to HCFA electronically in an eight-digit format, but merely setting computer forms up to eight digits is not enough, the representatives said, because the computer system must be able to recognize the numbered year "2000." If a form is submitted that contains the date 01/01/1900, for example, it will be rejected by HCFA. Some systems that were reported as Y2K-ready when tested were then found to have this problem.

Working around the problem by setting computer dating so that forms read an earlier date, like 1980, is not acceptable, HCFA said. And returning to the past in other ways won't work either: Submitting "old-fashioned" paper forms will only delay payments. According to HCFA, the normal turnaround of 14 days will be extended to as many as 23 days or more, depending on the number of forms it receives. A Blue Cross representative from Atlanta, Georgia, said that she would not accept any paper forms.

Gary Christoph, chief information officer for HCFA, said that in his opinion most doctors' offices have become totally reliant on their computers, thus adding to possible cascading problems if the systems haven't been checked to see whether they're Y2K-compliant. HCFA spokespersons urged physicians to begin preparing for Y2K immediately by testing their electronic submission with HCFA, with their provider and/or billing service, and with their banks to make sure that systems are ready for the new year. Doing so will ensure that the form is compatible with HCFA standards, that the physician system can also receive Y2K information, and that the banks are in fact Y2K-complaint. In testing, it is also recommended that 1999 and 2000 dates be included to check that the system can handle both dates. If physicians use a service to do their billing, the firm should be contacted to determine whether there are any upgrades needed so that software is Y2K-compliant.

Finally, those who do billing need to remember that both hardware and software may create problems. Word-processing software may be checked by going to the Microsoft web-

site (www.microsoft.com/y2k). Other websites recommended were HCFA's own website at www.hcfa.gov/y2k and the small business administration at www.sba.gov/y2k.

During the question-and-answer portion of the program, it was revealed that because Medicaid is a state-operated project, many of the state programs are at risk. While HCFA has tried to assist the states in preparing for the year 2000, a number of state programs have not reached compliance.

DOE Appropriations Pass

For months SNM has been pressing Congress to take action on the Energy and Water Appropriations Bill, which funds the isotope program at the Department of Energy and contains funding for the Advanced Nuclear Medicine Initiative (ANMI). First the Senate passed a version, and then the House passed its version in mid-July. In the Senate version, the bill provided more funding for the isotope programs while the House funded more water projects. Since the differences needed to be ironed out in a joint conference, the first step in that process was choosing members to be conferees. The Senate named participants almost immediately. The House took its time.

At the beginning of September, the House had still not named its conferees. But by the middle of the month, things changed. The House not only had named its participants but held the first joint conference. During the conference, Senator Peter V. Domenici (R-NM) said that the House was going to have to raise funding for energy projects. After debate, on September 24 the House agreed. The bill included \$20.5 million for medical isotope funding and \$2.5 million for the ANMI. The bill was passed through the House and Senate on September 28 and was sent to the President. By September 30, President Clinton signed the FY 2000 Energy and Water Bill into law, and a process that started back in May, and seemed to stall for months, was enacted into law in the span of a few days.

The SNM Department of Public Affairs wishes to thank all those who wrote their senators and representatives in support of the funding level and the ANMI.

Problem with HOPPS

After reviewing Medicare's Hospital Outpatient Prospective Payment System (HOPPS) for nuclear medicine, Terence Beven, MD, chair of the SNM Government Relations Committee and Kenneth McKusick, MD, chair of the APC Taskforce, determined that HOPPS does not adequately reflect the cost of the radiopharmaceuticals used and that it could adversely affect the quality of care a Medicare patient receives.

According to the APC Taskforce Memo, HOPPS tries to assign a cost for the entire nuclear medicine procedure by estimating the average cost of a radiopharmaceutical used in the

procedure. But the prices of radiopharmaceuticals range drastically. If the treatment indicates the need for a more expensive radiopharmaceutical, the HOPPS proposed payment would not be enough to pay for the isotope, the time and the labor incurred. The fear is that the hospital or physician will choose the less expensive radiopharmaceutical even if it is not the best or most accurate choice for the patient.

The House Ways and Means and the House Commerce committees will reportedly discuss this issue this month. Beven and McKusick advise fellow physicians to contact their representatives on these committees as well as the Senate Finance Committee and urge them to reconsider “bundling” radiopharmaceutical costs. A sample action alert and the APC Taskforce Memo is available on the SNM website.

Documents Available on the SNM Web Site
(http://www.snm.org/policy/new_policy_ui_1.html)

1. APC Taskforce Memo on HOPPS
2. Action Alert on HOPPS
3. ACNP/SNM Letter on Part 35 to NRC
4. NRC Final Draft of Part 35
5. Analysis of Part 35 – Changes ACNP/SNM Have Asked for and NRC’s Response
6. APC’s Draft List of Radiopharmaceuticals and Related Drugs
7. APC Task Force Letters to Wellham and Gustafson
8. National Licensure Bill

— William Uffelman and Amanda Sullivan