



CHCPP Update: HCFA Policy on Ordering Diagnostic Tests

SNM recently contacted Terrence Kay at the Health Care Financing Administration (HCFA) to inquire about ordering diagnostic tests. In part, that letter read:

HCFA published policy and comments on "Ordering Diagnostic Tests" in its June 18, 1997 and October 31, 1997 rules. In response to SNM's June 1997 comments, HCFA's October 31, 1997 rule stated that "in order to address these concerns more fully, we would need more specific information as to the state and federal regulations in question." SNM's October 1997 comments responded to this request for regulatory information; however, this issue was never addressed or clarified in the 1998 proposed or final rules.

Members of our organization have contacted us recently to inquire about ordering additional diagnostic tests (e.g. chest x-rays) when indicated. We are unable to respond to these inquiries because we have never received a

definitive response from HCFA on this issue. To the best of my knowledge, HCFA has never addressed our specific comments regarding the October 1997 rule.

Kay replied on April 20, 1999 as follows:

I am responding to your letter... regarding the requirement that diagnostic tests payable under the physician fee schedule be ordered by a physician or nonphysician practitioner who is furnishing a consultation or treating the beneficiary for a specific medical problem. There is no requirement that the order be in writing (except in the case of an independent diagnostic testing facility), and there is no requirement that the carrier verify the existence of such an order before making payment. Further, neither the rule itself nor the preamble discussion precluded coverage of the performance of additional testing by

the radiologist, nuclear medicine or other physician as long as the ordering physician is notified of the additional testing.

We feel that we did address your comment in the October 31, 1997 final rule by indicating that we did not fully understand your concern. We would like more specific information about the State and Federal regulations which preclude anyone other than a nuclear medicine physician from ordering nuclear medicine procedures. This would be helpful for us to determine whether further revision of our regulations for diagnostic testing is needed.

Otherwise, we believe that your suggestion would eventually have to be extended to everyone and would, in effect, make the ordering requirement meaningless. Finally, it would be helpful to know of any instances in which your members are being denied payment inappropriately for their services because of this requirement.

Integration

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Phelps) will receive a combined total of more than \$20 million in research funding this year compared to \$7 million in funding six years ago.

If awards are any measure of success, Phelps's department is among the most successful in nuclear medicine. Lou Ignarro, PhD, a faculty member in the department, won the Nobel Prize this year and was elected this year, along with Phelps, to the National Academy of Sciences. Phelps also won the 1999 Enrico Fermi Presidential Award, the highest and oldest science and technology award given by the United States government, for his invention of the PET scanner. "Also, two of the largest selling drugs, Viagra and the COX-2 inhibitors, were developed based on discoveries made by two faculty of the department, Drs. Ignarro and Her-

schman, respectively," said Phelps.

While conceding that most nuclear medicine programs are not headed for the dramatic change that his department underwent, Phelps emphasized that integration will play an integral role in nuclear medicine. "The concept of biological imaging is growing, and I believe it will become a new discipline in biological sciences," said Phelps. "I also believe that biological imaging examinations of patients that stem from this research will continually be building the future of nuclear medicine."

Reaching Out to Other Specialties

Other research institutions throughout the country have created integrated nuclear medicine departments, albeit in a less formalized way than the department at UCLA. "At Sloan Kettering, we take a team approach, and our nuclear physicians have close contact with other

specialists who are quite open to new ideas," said Homer Macapinlac, MD, clinical director of the PET facility at Sloan Kettering. Every cancer patient is treated via a team approach that involves weekly meetings among the nuclear physician, surgeon and medical oncologist. "We also give nuclear medicine seminars in areas such as lymphoma, melanoma and breast cancer that are well attended by the oncologists," Macapinlac said. Moreover, each of the five nuclear physicians on staff has a special interest area such as head and neck cancer, whole-body PET imaging or monoclonal antibody therapies. "Our nuclear physicians have liaisons with the disease management group in each of our specialized areas," Macapinlac said. "We are getting constant feedback about our procedures that allows us to keep the relationship going and to give them what they need to deter-