



## PUBLIC AFFAIRS UPDATE

Over the past several years we have had numerous inquiries about 2 issues: the current rules on the level of physician supervision for diagnostic procedures and the “legality” of radiographing patients after a bone scan or lung scan without a written order from the referring physician. Finally, after repeated inquiries to the Health Care Financing Administration, we received a letter on July 27, 2000, that contained some answers. In the hospital, “direct supervision” is assumed to be present; but a physician must be “immediately available” in a hospital-based freestanding facility or independent

diagnostic testing facility (IDTF). The requirements for orders also differ slightly between hospital-based and hospital freestanding facilities and IDTFs. Standing orders for additional views or x-ray images are acceptable only in the hospital.

We suggest that you alert your local Carrier Advisory Committee to this communication.

–William R. Uffelman  
General Counsel

Director of Public Affairs

–Amanda Sullivan  
Project Manager, Health Care Policy



DEPARTMENT OF HEALTH & HUMAN SERVICES

Health Care Financing Administration

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William R. Uffelman  
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Dear Mr. Uffelman:

This is to respond to your letter regarding physician supervision of diagnostic tests.

In the hospital inpatient and outpatient settings, we assume that direct supervision of diagnostic services exists, which means that a physician is immediately available in the setting. In a hospital-based freestanding facility and in an IDTF, direct supervision means that a physician is immediately available in the facility.

In the hospital inpatient and outpatient settings, we defer to internal hospital policies and JCACHO guidelines regarding the use of “standing orders.” However, when a service is rendered pursuant to a “standing order,” the service still must meet all other Medicare rules, such as medical necessity, to be payable. As we stated in the preamble to the regulations, in a hospital-based freestanding facility and in an IDTF, the use of “standing orders” is unacceptable. The treating physician should order any and all additional tests.

We realize, however, that certain situations may permit furnishing a notice to the treating doctor instead. For example, if the physician clearly erred in ordering an image of the left leg instead of the right leg, the order may be changed through a faxed notice or phone message to the physician if the physician cannot be reached. Likewise, if an image with contrast media demonstrates a medical need for an additional image and the physician cannot be reached, the additional image may be taken after a faxed notice or phone message to the doctor to spare the patient from returning to the testing center and reingesting the contrast agent. Overall, the rule requiring only the treating physician to amend or order additional tests attempts to preclude the routine practice by the testing center to furnish additional diagnostic services.

I hope that this addresses your concerns.

Sincerely,  
Terrence L. Kay  
Director  
Division of Practitioner and Ambulatory Care  
Purchasing Policy Group  
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