

Ramifications of DXA/VFA Cuts- January 2008

In January of 2007, reimbursement for DXA dropped from \$140 in 2006 to \$55 in 2010. For most providers, the cost of providing the service far exceeds the Medicare reimbursement. Patient access to this vital service is already being compromised, as services are closing and staff levels are being reduced as outlined below:

ALABAMA

The Southeastern Osteoporosis Services, Inc. (SOS), a mobile DXA service operating for over 10 years in rural communities in Northwest Florida and Southern Alabama, closed its doors in the first months of 2007.

Over the past ten years, SOS served over fifty private practice physicians, clinics and rural hospitals performing in excess of 18,000 central DXAs since 1997. Nearly 70% of our patient clients do not have DXA access in their community and many do not have transportation to travel 50 miles or more to have a DXA.

Stephen D. Bast, P.A.-C.
SOS President

ARIZONA

Because of the cuts in Medicare reimbursement, we shut down our most rural office and returned our equipment. Sadly the patients who live in this area, must travel 30+ miles to the nearest locations, and they usually don't or won't. We also had to reduce our office staff, and if the cuts continue as planned, we will shut down our second location, reduce our staff again, and work at a loss. Note that we only use "Certified" Radiologic technologists and all scans are read by a "Certified" MD - the final reimbursement proposed won't cover their costs, not including the actual cost of operations.

Debra Kudelka-Beavers
Prescott, AZ

CALIFORNIA

We have let one of our ISCD certified DXA techs go and we may also need to let someone else go. Given the current re-imburement rates, I may well close the office entirely. We have been doing approximately 100 studies per month. We are the only site in the area (to the best of my knowledge) where both the physician and techs were ISCD certified. We have been providing DXA for the past 11 years.

Ernie Meth, M.D.
Murrieta, CA

I am not surprised, as a provider of bone density studies since 1987, by the reimbursement problems that we are now facing. Since the late 1990's there have been physicians who rarely ordered bone density studies who are now providing these services in their offices. The surge in bone density claims has no doubt participated in the current fee schedule reductions. Blue Shield of California's 2007 fee schedule allowance is \$50.59 for 77080, \$39.62 for 77081 and \$27.64 for 77082. We are canceling our contract as Blue Shield patients are now costing us money. We are also not performing VFA studies unless it is specifically requested due to the low reimbursement for a procedure that requires more skill and time than a central DEXA study.

Sue A. Beard, CDT
Mission Viejo, CA

My DXA tech submitted his resignation last week. He will take a job with a radiologist office with greater promise of salary increases doing techniques other than DXA.

Stuart L. Silverman MD FACP FACR
Beverly Hills, CA 90211

The Osteoporosis Diagnostic Center opened in Eureka, CA in 1996. Our office acts as a limited radiology facility in that we perform DXA tests and provide reports to the referring providers. Additionally, we have participated in several clinical trials for pharmaceutical and supplement companies.

We see, on average, 240 patients per month that are referred by local providers. We are in the middle of one clinical trial and in the closing days of another. Due to the dramatic decline in reimbursement and anticipated further decreases, we will have to close our door as of 01/01/2009. Our six employees have been notified of this likelihood. Also, we are not likely to accept any further clinical trial contracts due to this now shortened business future.

Alan Cook DC
Osteoporosis Diagnostic Center
2773 Harris St., Suite F
Eureka, CA 95503

COLORADO

Dexa Diagnostics operates several mobile bone density testing labs in Colorado conducting on site bone density tests for their patients. We currently provide osteoporosis testing at 85 sites serving 253 providers. The majority of our visits are to the offices of our patients' personal physicians. We test an average of over 400 women per month for osteoporosis. 30% of those tested HAVE OSTEOPOROSIS. Prior to our contracting with those providers, 50% of the women who needed the scan and were told to go to a remote hospital or lab for an osteoporosis test would actually go. We have experienced a 90% show rate in the clinics we service because of the familiarity of the location for the patients. Therefore, 40% more patients who need the test are actually receiving the test.

Many are in their 60's and 70's and have NEVER had a bone density test before because of its inconvenience.

After the January 1, 2007 reimbursement cuts, we slashed overhead dramatically and reduced payroll and employee benefits. We will try to sustain this vital service for as long as possible hoping that Congress acts to reverse the cuts. In the meantime, we have cancelled our plans to expand our service into Florida, Arizona and Texas scheduled to take place over the next 24 months, laid off one full time employee, and cancelled orders for two new DXA machines. The Medicare cuts threaten our ability to continue to provide this service. Given the number of locations and patients we currently see annually, the discontinuation of our service will have serious implications for osteoporosis care in the state of Colorado.

Francis Russo
Castle Rock, CO

CONNECTICUT

I am the managing partner of one of the largest Endocrinology Group Practices in Connecticut. We have been performing DXAs since 2001. We expanded by opening an office in Branford two years ago and had planned on putting a DXA machine there. Due to the cuts in reimbursement, we no longer plan on doing so. This is unfortunate since it is difficult for many of our Medicare patients to obtain transportation and we usually arrange for the DXA to be done the same day as their visit with us. This tends to increase compliance with scheduled tests and allows us to provide same day feedback on their results. Patients will certainly miss this convenience. The cuts will result in less bone density screening and therefore, likely more fractures in the long run.

Adam Mayerson, M.D.
Managing Partner, Endocrine Associates of CT
Associate Section Chief of Endocrinology, Yale-New Haven Hospital
Assistant Clinical Professor of Medicine, Yale University School of Medicine
New Haven, Connecticut

My practice of seven internists (which I believe to be the largest single specialty internal medicine group in Connecticut) has had a DEXA scanner for the past six years. We have done thousands of DEXAs and found it an essential part of quality internal medicine preventive care. As our warranty on the machine runs out, we are faced with a decision to buy a new more comprehensive machine or discontinue doing DEXAs in the office. Because of the current reimbursement climate, the only rational business decision is to stop doing DEXAs. Realistically, a forty thousand dollar machine that requires 20 minutes of technician time, five minutes of physician interpretation, and a five minute explanatory phone call to a patient to be reimbursed thirty-six dollars is illogical. Reluctantly, we will not be purchasing another machine and our patients will not have the very easy access to DEXA.

Dr. Robert Altbaum
162 Kings Hwy N.
Westport Ct. 06880

I provide mobile DXA scanning services and travel to Connecticut monthly. Since the Deficit Reduction Act cuts have been enacted, I no longer service 11 practices in Connecticut. In 2006, I performed 860 bone density exams for these same 11 practices. On average, I provided 254 exams a month in 2006, a figure that has dropped significantly this year to 148 per month. Without the mobile services available, many of the patients I once treated will likely not have access to this important exam.

Dr. Don Taylor

FLORIDA

The Southeastern Osteoporosis Services, Inc. (SOS) , a mobile DXA service operating for over 10 years in rural communities in Northwest Florida and Southern Alabama, has closed its doors in the first months of 2007.

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Stephen D. Bast, P.A.-C.
SOS President

IDAHO

I discontinued DXA February 10, 2007 after review of my numbers showed that the new Medicare reimbursement rate for my area was below my cost to provide the service .My program averaged 58 scans per month for 2006. I started leasing space, scanners and technologists from another facility in 2005. That facility had two GE/Lunar Prodigy DXA scanners and 2 full time technologists that were not fully utilized. My business was 49% of their total business volume. As a result of my closing my program, they let one technologist go and sold one scanner. I have heard from local physicians who are unhappy that the only other DXA facility with an ISCD trained staff and director is out of state. We have 3 other scanners in our area but none are certified and many local physicians think that they do not provide the same level of quality scans and interpretations that my center provided.

MASSACHUSETTS

I run the densitometry unit at Beth Israel Deaconess Medical Center in Boston; we also provide densitometry services at two satellites in Lexington and Chelsea. We perform approximately 6,000 scans annually among the three locations. Because of the cuts in reimbursement, for now all purchase of new equipment for densitometry is on hold. I had planned to purchase a new densitometer for our facility in Lexington. We have a Hologic C, or a model that can do spine, hip, and forearm. Since we do a small but discrete number of children, I have been anxious to purchase a "W" densitometer that also does whole body, so that our densitometry for children can include a total body, as directed by the ISCD

guidelines. For now, equipment purchase is on hold because of the paltry reimbursement, and clinicians who want their pediatric patients to get a whole body BMD will need to send them "in town".

Harold Rosen, MD
Director - Osteoporosis Prevention and Treatment Center
Beth Israel Deaconess Medical Center

MARYLAND

We had plans to perform central DXA at every one of our 16 retirement communities nationwide to curb the high prevalence of osteoporosis related fracture that results in profound disability and morbidity among our residents. The drastic cuts in reimbursement have brought our implementation to a halt as we can no longer cover the expenses of the Program.

Matthew Narrett, MD
Ellicott City, MD

MICHIGAN

I had a DXA machine in my office and noticed the trend that my older patients did not drive the 40-60 miles to see me for their scans in the winter. I bought an RV and retrofitted it, making it handicapped accessible. I took it on the road all over rural Michigan, visiting some 150 docs in 60 sites including an American Indian reservation and a former TB Sanatorium that is now a 400 bed facility for mentally disabled people. Interestingly, because of the requirement for seizure medication for these patients and some of the birth defects, this population is disproportionately affected by osteoporosis. I was the only provider visiting these patients and providing the care they needed. I added another van and had 4 teams visiting patients throughout Michigan. At the high point, I was doing some 3800 scans a year. With gas prices on the rise (my RVs got just 7 miles to the gallon) combined with drastic Medicare cuts; in June of 2007 I was forced to stop my mobile operation. I am still providing DXA scans within my office, but now provide only 400 scans per year. I do not believe the patients I once saw in the rural areas of Michigan are now being served.

David Nadolski, MD
Midland, MI

NEW JERSEY

The Saint Barnabas Osteoporosis and Metabolic Bone Disease Center was started in 1997 to provide improved prevention, diagnosis and treatment of osteoporosis in NJ. In addition to providing physician consultations to thousands of patients and performing over 700 bone density tests per month, our center has collaborated with the NJ Dept of Health and Senior Services to develop and support the award winning Healthy Bones community education and exercise project which is currently providing peer-led exercise programs to patients with osteoporosis throughout New Jersey. Osteoporosis Center nurses also educate the community on prevention and diagnosis, provide outreach and

screening to employee and community groups and at public health fairs, conduct a monthly support group for patients diagnosed with this disease and teach regular courses to help patients understand their bone density test results and comply with their treatment regimens.

Because of CMS mandated cuts in reimbursement for bone densitometry, the Saint Barnabas Osteoporosis Center will no longer be able to support our nurse educators or these excellent educational and outreach services as of June 1, 2007. These cuts will also reduce patient access to expert physician consultations re osteoporosis and will remove very valuable resources from the community.

Marjorie Lucky, MD
Livingston, NJ

NEW MEXICO

I operate a mobile service that goes all over New Mexico. People in the rural areas are so appreciative of our service. If this issue does not get turned around very soon, we will be forced to close our doors. These patients will not travel to have the test. I have also had to let two full time employees go at this time and more in the future.

Timothy Dale, RVT
Albuquerque, NM

Southwest Medical Associates, Inc., (SMA) is a 30+ physician group with two locations in Albuquerque, New Mexico. Physician specialties include Pediatrics, Family Medicine, Internal Medicine, Obstetrics and Gynecology, Neurology and Podiatry.

In 2004, SMA made a significant investment in Bone Mineral Density testing based upon the needs of its patients and the benefits of early identification of risk factors for bone fracture, osteopenia and osteoporosis, and preventive care and treatment of bone mineral loss. State of the art equipment and software was purchased, and investment was made in specialized training for both the interpreting physicians and our certified radiological technicians. Guidelines were adopted for testing and report protocols were developed to integrate test results with patient history for a high quality report. Demand has been, and continues to be, approximately 150 exams per month.

Our two interpreting physicians reluctantly withdrew from interpreting test results and preparing reports when reimbursement was significantly reduced this year by Medicare. Although we are not currently conducting DXA exams, we continue to look for one or more qualified physicians willing to interpret results, recommend treatment plans, and prepare reports for the Medicare rates. Thus far, we have been unable to locate any physician, either within or without the group, willing to interpret DXA results at Medicare rates of reimbursement. The Medicare reimbursement amount for DXA testing and interpretation has fallen to a level to make it no longer viable to perform high quality DXA tests from a financial standpoint, especially as it relates to the professional services component.

Dennis Cox
Executive Director
Southwest Medical Associates
Albuquerque, New Mexico

OHIO

We are building a second office – multi-specialty (12 physicians) group (IM), and considering purchasing a second GE DEXA machine, however we've put the purchase on hold, due to reimbursements.

Rhonda Wood, CDT
Sheff Village, OH

Co-Owner, Mobile DEXA Services

We have been providing Mobile DXA services to patients in both rural and urban settings in Ohio since 2005. We see approximately 4,000 patients annually. Many of these patients would not have access to DXA testing without our unique delivery system that provides quality bone density services in a familiar setting-- the office of the patient's personal physician. Our participating physicians have reported that because of our service the compliance for Osteoporosis testing in their offices has gone up tremendously. Our mobile service is staffed by experienced, certified radiologic technologists. The results are provided to the patient's personal physician the same day so that follow up care can easily be coordinated without the need for multiple visits.

We have provided DXA testing to both Medicaid and Medicare patients. We have noticed an alarming trend in the decrease of osteoporosis testing among our low-income, vulnerable Medicaid patients. Since the Medicaid rate cuts were implemented in January of 2007, we have seen a 93% reduction in DXA scans among Medicaid patients. The only reason for this drastic decrease in osteoporosis testing among Medicaid patients is the 75% reduction state Medicaid reimbursement for DXA screening.

We are beginning to witness the same downward trend in osteoporosis testing rates in the general Medicare population as it is no longer cost effective for physicians to take the time to coordinate this care. As the reimbursement declines in the next two years, we expect this trend to continue. Our ability to provide this simple, cost effective, life saving test, is threatened.

Anonymous

PENNSYLVANIA

We are a corporation of 50 OB/GYN's offering high risk pregnancy services AND DXA scanning with counseling. It was our vision to be certain women were not only tested but would understand exactly what to do to maintain or improve bone density. It is a wonderful program and the feedback from the patients is enthusiastic. However, considering the cut back in reimbursement, we cannot justify leasing equipment and paying FT technologist in the future...so for the ladies in our area they will have to go back to getting tested and being told to 'take Calcium' by their physician, if told anything at all.

Dottie Smith, CDT
Pottstown, PA