

AIM

ALLIANCE FOR INTEGRITY IN MEDICARE

Closing the Self-Referral Loophole and Preserving Medicare Integrity

PARTNERS IN THE COALITION



JOINT STATEMENT FROM THE ALLIANCE FOR INTEGRITY IN MEDICARE APPLAUDING IOAS REFORM PROPOSAL IN THE PRESIDENT'S FY 2014 BUDGET APRIL 11, 2013

The Alliance for Integrity in Medicare (AIM)- a broad coalition of medical specialty, laboratory, radiation oncology, and medical imaging groups committed to ending the practice of inappropriate physician self-referral is highly encouraged that President Obama's FY 2014 Budget, released yesterday, recommends the exclusion of radiation therapy, advanced imaging, and therapy services from the In-Office Ancillary Services (IOAS) exception. AIM has long supported restrictions on physician self-referral, and we would strongly recommend adding anatomical pathology services to the proposed list of excluded services, as the same overutilization and patient care concerns exist.

The organizations comprising the AIM Coalition continue to be gravely concerned about the ongoing misapplication of the IOAS exception to the physician self-referral law. We believe this loophole results in increased spending, unnecessary utilization of medical services, and potentially compromised patient choice and care, thusly eroding the integrity of the Medicare program.

AIM applauds the Administration's FY 2014 Budget for recommending the exclusion of radiation therapy, advanced imaging, and therapy services from the IOAS, except in cases where a practice meets "certain accountability standards, as defined by the Secretary of the Department of Health and Human Services." The Office of Management and the Budget estimates that closing the loophole for these services would provide a savings of \$6.1 billion dollars over the standard ten year budget window. Even more savings could be achieved by adding anatomic pathology services to this list.

The AIM Coalition remains steadfastly committed to improving patient care and preserving valuable Medicare resources, we believe the IOAS reform proposal in the President's FY 2014 Budget is a laudable step towards those ends. Furthermore, AIM strongly urges Congress to build upon the recommendations of the Administration and pass legislation to remove advanced diagnostic imaging, anatomic pathology, radiation therapy, and physical therapy from the IOAS exception in the 113th Congress. Reforming this policy will ensure that Medicare patients receive the highest quality and safest health care most appropriate to their needs, and Medicare policy incentives are properly aligned – a positive for beneficiaries, providers, and all other Americans.

The Alliance for Integrity in Medicare

American Clinical Laboratory Association

American College of Radiology

American Physical Therapy Association

American Society for Clinical Pathology

American Society for Radiation Oncology

Association for Quality Imaging

College of American Pathologists

Radiology Business Management Association