

Administrative Simplification of the Imaging Appropriate Use Criteria Program

Background

Through Section 218(b) of the Protecting Access to Medicare Act of 2014 (PAMA), Congress established the consultation of appropriate use criteria (AUC) by providers ordering advanced diagnostic imaging exams (AUC program). The AUC program is an effective and evidence-based program, founded on physician-developed guidelines that is intended to optimize patient care by guiding providers as to whether an advanced imaging study is appropriate and if so, which kind of study is most appropriate. The AUC program is housed within an Electronic Medical Record via clinical decision support technology and has demonstrated improvement in the ordering of the correct imaging study in hundreds of institutions over several years. Entities using this AUC program have shown reductions in unnecessary utilization of imaging studies resulting in savings to both the institutions and copayment costs to patients.

The PAMA Imaging AUC program was mandated by the Congress to be implemented on January 1, 2017. Regrettably, statutory requirements in the 2014 legislation have resulted in numerous implementation problems and delays. It is now apparent that the Congress must revisit the PAMA AUC program and make significant changes to the existing statute to make the program implementable.

Although CMS proposed in its Medicare Physician Fee Schedule Proposed Rule of July 2023, and later finalized in its November 2023 rule, to “pause” the implementation of the PAMA AUC program due to administrative hurdles, in doing so the agency reinforced the benefits of the program as well as indicated significant estimated savings (\$700,000,000 per year) associated with its eventual implementation. Proposed language to address the current law’s administrative hurdles has been drafted and **a study by The Moran Company modeling the Congressional Budget Office’s (CBO) scoring process estimates the draft amendments would provide a savings to Medicare in the range of \$2 billion over ten years. The Moran Company also estimated that Medicare beneficiaries would also save about \$1.4 billion over the current budget window via reduced cost-sharing.**

Issue

Specifically, CMS has identified certain claims processing challenges in its most recent proposed rule that cannot be resolved without corrections to the underlying statutory language. Enacting proposed amendments to the underlying statutory language will address the CMS-identified challenges as well as address administratively burdensome requirements identified by stakeholders during the implementation process.

Administrative Simplification

The American College of Radiology supports retaining the basic structure and intent of the PAMA Imaging AUC program. However, proposed amending language would remove the unimplementable point-of-care “real time” claims processing obligation and replace it with an ordering provider’s attestation of “conferring/reviewing” qualified AUC for the ordering of advanced imaging studies. This ordering data would be collected and subject to an annual, retrospective review and audit by CMS. Compliance or non-compliance data would be collected and could be reviewed by hospitals or health systems to help manage utilization within their facility and act as an important educational tool for ordering providers.

Furthermore, in consultation with medical specialty societies, the amending language would provide additional exclusions within the PAMA statute. The AUC consultation process would not be required for those ordering providers

who participate in clinical trials. In addition, small and rural practices (as defined by CMS) would not be required to consult AUC.

Finally, the amending language would ensure the appropriate oversight and compliance mechanisms are in place by adding a compliance review study (based on two years of collected data) that will aid both Congress and the Administration in determining further measures that may need to be taken to improve the program.

These technical changes to PAMA will ensure that CMS implements the AUC program without further delay and in a manner that is least burdensome to providers. Absent these legislative changes, the benefits of the AUC program, including reducing unnecessary advanced imaging exams, will go unrealized.

Request

Congress should amend PAMA this year by including technical and administrative simplification language in its next Medicare-related legislative package.