2024 Medicare Physician Fee Schedule Proposed Rule  
Appropriate Use Criteria for Advanced Diagnostic Imaging

CMS proposed pausing the Protecting Access to Medicare Act (PAMA) imaging appropriate use criteria (AUC) program due to continued concerns with the real-time claims processing aspect of the statute, stating “…we have exhausted all reasonable options for fully operationalizing the AUC program consistent with the statutory provisions…”. The proposal indicated that more time is needed to reevaluate the program to ensure that imaging claims are not inappropriately denied.

Background and Rulemaking History  
The rule includes a detailed background of the PAMA imaging AUC program, including an outline of the law and the associated regulations that were developed over the past 8 years. The law requires ordering providers to consult AUC developed by provider-led entities (PLEs) through a clinical decision support mechanism (CDSM) when ordering advanced diagnostic imaging, including CT, MR, PET and nuclear medicine, for Medicare Part B patients. CMS defined PLEs and the process to become a certified PLE in the 2016 rulemaking cycle. The first qualified PLEs were posted on the CMS website in June 2016. The 2017 rulemaking cycle outlined the requirements and process for CDSMs to become qualified. The first qualified CDSMs were posted on the CMS website in July 2017.

In 2018, CMS began a voluntary reporting program for providers who were ready to participate in the ACR program. To incentivize the early use of CDSMs, the agency provided high-weight quality improvement activity credit for ordering professionals who consult AUC using a qualified CDSM for the Merit-based Incentive Payment System (MIPS).

Since 2018, CMS has struggled with operationalizing the portion of the law that requires imaging providers to report AUC consultation information on applicable imaging claims in order to receive reimbursement. If the program were to be fully implemented, payment for imaging services that do not contain the appropriate AUC consultation information on applicable claims would be denied.

Proposal to Pause Program for Reevaluation  
The AUC program has been operating in an “educational and operations testing period” without payment penalties in place since January 1, 2020. CMS proposed to pause the program for reevaluation, including pausing the ongoing educational and operations testing period. In conjunction with this proposal, CMS also proposed to rescind the current AUC program regulations and reserve them for future use. The agency did not propose a time frame for resumption of implementation. The proposed rule states, “…the real-time claims-based reporting requirement prescribed by section 1834(q)(4)(B) of the Act presents an insurmountable barrier for CMS to fully operationalize the AUC program”. 

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Real-Time Claims-Based Reporting
CMS indicated that the greatest challenge in implementing the imaging AUC program has been operationalizing the real-time claims-based reporting requirement. Despite the development of what the agency believed to be meaningful and workable solutions, there are significant concerns that payment delays and inappropriate claims denials would occur. The existing Medicare claims processing system does not have the capacity to fully automate the process for distinguishing between advanced diagnostic imaging claims that are or are not subject to the AUC program reporting requirements. In addition, CMS stated in the rule, “…reliance on manual reporting by one party of information supplied by another party presents a serious risk to data accuracy and integrity”.

Effect on Medicare Beneficiaries
Despite the implementation barriers necessitating the program reevaluation of the program, CMS recognizes the value of the AUC program to improve utilization patterns for Medicare beneficiaries. The Agency indicated that utilizing AUC to ensure that patients receive the right imaging at the right time would “inform more efficient treatment plans and address medical conditions more quickly and without unnecessary tests”. The rule states that this could result in potential savings to the Medicare program of $700,000,000 annually. CMS arrived at this estimate by extrapolating savings from a clinical decision support pilot project performed by the Institute for Clinical Systems Improvement in Bloomington, Minnesota.

Nevertheless, CMS is concerned that the real-time claims-based reporting requirement may impact beneficiaries’ ability to receive timely imaging services if scheduling is delayed while imaging providers wait to receive AUC consultation information from reporting providers. In addition, CMS raises the concern of patients being financially liable for advanced diagnostic imaging claims denied by Medicare for failure to include consultation information.

CMS indicated that they will continue efforts to identify workable implementation approaches and will propose to adopt such solutions in future rulemaking. In the meantime, CMS encourages clinicians to continue to use CDS.

Summary of Other Quality Initiatives
CMS states, “Promoting the use of AUC in clinical practice is an activity that encourages the use of evidence-based information/guidelines/recommendations to guide patient care thus resulting in improved value and quality.”. Subsequent to PAMA, the Medicare Access and CHIP Reauthorization Act of 2015 (MACRA) (Pub. L. 114-10, April 16, 2015) established the Quality Payment Program (QPP), which is an incentive program to tie Medicare PFS payment to performance by rewarding high-value, high-quality care. Recognizing the QPP do not specifically target advanced diagnostic imaging services, the agency indicated they believe many of the goals of the AUC program have been met by the QPP and other accountable care initiatives.

MIPS includes 10 specific quality measures pertaining to imaging or under the “Diagnostic Radiology” Specialty Measure Set. Additionally, the Meaningful Measures 2.0 Framework
includes a priority area for safety with the goal of “Reduced Preventable Harm” (https://edit.cms.gov/files/document/cascademeaningful-measures-framework.xlsx). An objective under this goal is “Diagnostic Accuracy/Error” which includes a cascade measure concept/family of “Appropriate use of radiology and lab testing.” An example of an existing measure within this concept is “Appropriate Follow-up Imaging for Incidental Abdominal Lesions” (https://www.cms.gov/files/document/cascade-measures.xlsx).

CMS concluded this section of the proposed rule by stating:

“We want to acknowledge and emphasize the value of clinical decision support to bolster efforts to improve the quality, safety, efficiency and effectiveness of health care. We welcome and encourage the continued voluntary use of AUC and/or clinical decision support tools in a style and manner that most effectively and efficiently fits the needs and workflow of the clinician user. Across many specialties and services, not just advanced diagnostic imaging, clinical decision support predates the enactment of the PAMA and, given its utility when accessed and used appropriately, we expect it to continue being used to streamline and enhance decision making in clinical practice and improve quality of care.”

For questions about CMS regulations on the PAMA AUC program, contact Katie Keysor, Senior Director, Economics and Health Policy.