The Riddle of Self-Referral
TAKE A PEEK AT WHAT’S IN STORE FOR SELF-REFERRAL IN MEDICAL IMAGING.

Most radiologists have an understanding of self-referral and its negative impact on medical imaging and interpretation in the United States. However, self-referrers often argue that referring patients to their imaging facilities ensures timely and convenient care and that those who oppose this practice are merely protecting their own turf. Regardless, health-policy research has shown a significant increase in the number and frequency of imaging referrals to a facility in which a physician has a financial interest. Research also indicates that most patients do not receive more timely and convenient same-day service in a self-referral facility versus an independent imaging center.

In response to concerns about self-referrals, Congress passed the so-called Stark Law (Section 1877 of the Social Security Act), a series of legislative enactments designed to restrict self-referral and named after principal sponsor, Rep. Fortney “Pete” Stark (D-Calif.). The law prohibits a physician from referring Medicare and Medicaid patients to an imaging facility in which the physician or the physician’s immediate family members have a financial interest. Unfortunately, Congress succumbed to the self-referral lobby and provided some exceptions to this prohibition — including the in-office ancillary services exception (IOASE). This exception permits self-referral if the imaging is supervised and billed by the physician or his or her group and if the facility is in the same building as the physician’s or group’s practice or in a centralized facility run exclusively by the group.

So, how does a loophole this large restrict self-referral and ensure appropriate medical care? In short, it doesn’t. The IOASE was a political compromise designed to assuage the concerns of the self-referrers. And for nearly two decades, this uneasy truce was considered to be insufficient training in radiation safety, such as those who use radiation-intensive modalities such as fluoroscopy or CT to excess when another modality may be more appropriate.

When the regulators begin to focus on the qualifications of those ordering the studies, they’ll be able to control volume, and they will also discover that the conflict of interest inherent in self-referral cannot be avoided.

Even the United States Department of Health and Human Services Office of Inspector General (OIG) should begin to look at whether self-referral studies are medically necessary. The OIG has begun to do so in advanced-imaging modalities such as MRI. Then, billing the government for medically unnecessary studies constitutes a false claim, a type of fraud and would result in significant penalties.

In summary, the current situation may present the radiology community with the chance to help Congress and others revisit the self-referral issue from a different perspective, and perhaps to arrive at a different conclusion. First and foremost, the repeal of the IOASE is necessary to ensure that only essential and appropriate imaging, performed at the lowest functional exposure levels, can guarantee safe and affordable patient care.

ENDNOTES

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