

*Response:* We thank the College for checking the database so carefully. We have made the suggested corrections, with the following notes: For CPT codes 10080, 10081 and 11770, the PEAC recommendation listed 5 gloves, not 6. For CPT codes 45300–45327 and 46600–46615, we adjusted the quantity of unsterile gloves to reflect that there are 2 pair in the minimum visit supply package; in addition, CPT codes 45321 and 45327 were not priced in the nonfacility setting.

*Comment:* The American Society of Colon and Rectal Surgeons noted a few errors in the CPEP supply database. The supply inputs had not been changed to match the accepted new recommendations for CPT codes 45900, 45905, 45910, 47382, 49320, 49321, 49322, 49422 and 49429.

*Response:* We have made the corrections to the supply database and thank the specialty for bringing this to our attention.

*Comment:* The American Speech-Language-Hearing Association (ASHA) questioned the proposed 28 percent reduction in the practice expense for CPT code 92507, *Treatment of speech, language, voice, communication, auditory processing and/or aural rehabilitation status*. The reduction is attributable to a decrease in clinical staff time. ASHA contended that the PEAC recommendation was based on a vignette for a child receiving such therapy, but that the time involved with a typical adult patient receiving this treatment is much longer. ASHA stated that a more reasonable time for clinical staff for this service is 69 minutes compared to the proposed 46 minutes.

*Response:* We understand that the scenario for performing this service for a child might be very different than for an adult because an adult can participate in a more protracted therapy session. Because it is not clear to us at this time what would be the typical scenario, we will, on an interim basis, average the clinical staff time needed during a speech therapy session for a child with that suggested by ASHA for an adult. We will, therefore, assign 58 minutes of clinical staff time to this service, with the expectation that ASHA will present CPT code 92507 for further discussion and review at the PEAC.

*Comment:* We received several comments in response to our acceptance of PEAC recommendations for evaluation and management (E/M) codes that reduced payment rates for six nursing home services (CPT codes 99301–99303 and 99311–99313) and two home visit codes (CPT codes 99348 and 99350). This payment reduction is primarily due to a decrease in the

clinical staff time assigned to these services.

The American Academy of Family Physicians (AAFP) supported our acceptance of the PEAC recommendations for the E/M nursing facility services. The commenter noted that current practice expenses are higher for services provided in the non-SNF nursing facility than those provided in the SNF facility. The commenter contended that the direct practice expense inputs should not vary based on the type of nursing facility setting and supported the elimination of the current differential in the practice expense RVUs between the SNF and non-SNF facility setting.

However, the American Medical Directors Association (AMDA) representing long term care physicians, the American Geriatrics Society (AGS) and a health care management company, Health Essentials, all disagreed with our decision to accept the E/M nursing facility PEAC recommendations and asked us to reconsider our decision to implement them in 2004. The request to delay implementation was echoed by the American Academy of Home Care Physicians and AGS relating to the two E/M home visit codes.

The home care physicians argued that the PEAC recommendations for the two home visit codes are flawed because these codes have not yet been surveyed by the specialty performing this service. The commenters also contended that their views were not represented when the PEAC considered the refinements of the E/M home visit codes. Similarly, the AMDA noted that the PEAC workgroup responsible for formulating the recommendations for the nursing facility codes did not include long term care physicians. The AMA also commented on this issue and expressed concern that the PEAC recommendations did not include the views of all the relevant medical specialties and requested that we delay implementation of these E/M code recommendations to allow impacted medical specialties an opportunity to present new information to the PEAC.

In addition, the AMDA expressed concern regarding the current work RVUs for nursing home visit services.

*Response:* At the time the PEAC recommendations were forwarded to CMS, we agreed with the views expressed by the AFPP as to the reasonableness of the practice expense recommendations for the E/M codes for the nursing facility and home visits. However, we are also of the opinion that the relevant medical specialties should be given the opportunity to have their

views considered by the PEAC. Consequently, we will not go forward with these E/M recommendations in 2004. This will allow time for the PEAC to reconsider the eight E/M codes with input from representatives from the nursing home and home visit specialties. We will use current CPEP practice expense inputs to price these codes for 2004.

With regard to the concern expressed about the work RVUs for the nursing home visits, in the 2004 final rule we will solicit recommendations on codes to be reviewed during the next 5-year review of work and we suggest that the society recommend review of these codes.

*Comment:* A specialty society representing gastroenterologists commented that the increased clinical staff pre-time added to certain colorectal procedures needs to be applied equally to gastroenterologists who provide those services.

*Response:* We have a single payment for each procedure regardless of the specialty performing the service. Therefore, gastroenterologists will be paid the same as colorectal surgeons when performing those services for which we allowed increased pre-service clinical staff time.

*Comment:* The American College of Radiology submitted several corrections to the CPEP database for those instances where the database differed from the PEAC recommendations that we accepted. The College stated its appreciation for the opportunity to review the practice expense data file for completeness and accuracy and applauded our efforts to ensure that the database captures correct and complete practice expense data.

*Response:* We thank the College for the time and effort expended in checking this detailed data. We have made revisions to 19 codes: We changed the quantity of sodium chloride injection for CPT codes 78306, 78315, 78460, 78461, 78464, and 78465; adjusted the quantity of films for CPT code 76812; added missing supplies to CPT codes 77408, 77409, 77411, 77412, 77414, 77416, 76830 and 77290; removed equipment that had been deleted from CPT codes 78478 and 78480; and corrected a typographical error in the pre-service clinical staff time for CPT codes 73218 and 75555.

#### *g. Repricing of Clinical Practice Expense Inputs—Supplies*

We use the practice expense inputs (the clinical staff, supplies, and equipment assigned to each procedure) to allocate the specialty-specific practice expense cost pools to the procedures