

rewards and encourages inefficient work and penalizes efficient physicians, which ultimately has an impact on the quality of care delivered to Medicare beneficiaries.

Response: We understand the concerns expressed by the commenters and regret any confusion that the time reference may have created. This reference to time was intended as a guideline to ensure that this add-on code is used only when the procedure performed is a substantive procedure needed to produce a significant improvement in the patient's condition. Documentation supporting this should be reflected in the operative note.

Establishment of Interim Work Relative Value Units for New and Revised Physician's Current Procedural Terminology (CPT) Codes and New Healthcare Common Procedure Coding System Codes (HCPCS) for 2004 (Includes Table titled American Medical Association Specialty Relative Value Update Committee and Health Care Professionals Advisory Committee Recommendations and CMS's Decisions for New and Revised 2004 CPT Codes)

One aspect of establishing RVUs for 2004 was related to the assignment of interim work RVUs for all new and revised CPT codes. As described in our November 25, 1992 notice on the 1993 physician fee schedule (57 FR 55983) and in section III.B. of the November 22, 1996 final rule (61 FR 59505 through 59506), we established a process, based on recommendations received from the

AMA's RUC, for establishing interim work RVUs for new and revised codes.

This year we received work RVU recommendations for approximately 132 new and revised CPT codes from the RUC. Our staff and medical officers reviewed the RUC recommendations by comparing them to our reference set or to other comparable services for which work RVUs had previously been established, or to both of these criteria. We also considered the relationships among the new and revised codes for which we received RUC recommendations. We agreed with the majority of the relative relationships reflected in the RUC values. In some instances, when we agreed with the relationships, we nonetheless revised the work RVUs to achieve work neutrality within families of codes. That is, the work RVUs have been adjusted so that the sum of the new or revised work RVUs (weighted by projected frequency of use) for a family will be the same as the sum of the current work RVUs (weighted by projected frequency of use). We reviewed all the RUC recommendations. We accepted approximately 95 percent and we disagreed with approximately 5 percent of the RUC recommended values. In the majority of these instances, we agreed with the relativity established by the RUC, but needed to adjust work RVUs to retain budget neutrality.

We received 2 recommendations from the HCPAC. We agreed with both of the HCPAC recommendations.

Table 5, titled "AMA RUC and HCPAC Recommendations and CMS Decisions for New and Revised 2004 CPT Codes", lists the new or revised CPT codes, and their associated work RVUs, that will be interim in 2004. This table includes the following information:

- A "#" identifies a new code for 2004.
- CPT code. This is the CPT code for a service.
- Modifier. A "26" in this column indicates that the work RVUs are for the professional component of the code.
- Description. This is an abbreviated version of the narrative description of the code.
- RUC recommendations. This column identifies the work RVUs recommended by the RUC.
- HCPAC recommendations. This column identifies the work RVUs recommended by the HCPAC.
- CMS decision. This column indicates whether we agreed with the RUC recommendation ("agree") or we disagreed with the RUC recommendation ("disagree"). Codes for which we did not accept the RUC recommendation are discussed in greater detail following this table. An "(a)" indicates that no RUC recommendation was provided.
- 2004 Work RVUs. This column establishes the 2004 work RVUs for physician work. These work RVUs may differ from the work RVUs in Addenda B and C that reflect the adjustments to work RVUs to match the MEI weights.

TABLE 6.—AMA RUC AND HCPAC RECOMMENDATIONS AND CMS DECISIONS FOR NEW AND REVISED 2004 CPT CODES

* CPT code	Mod	Description	RUC recommendation	HCPAC recommendation	CMS decision	2004 work RVU
#20982		Ablate, bone tumor(s) perq	7.27		Agree	7.27
#21685		Hyoid myotomy & suspension	13.00		Agree	13.00
#22532		Lat thorax spine fusion	24.00		Agree	24.00
#22533		Lat lumbar spine fusion	23.12		Agree	23.12
#22534		Lat thor/lumb, add'l seg	6.00		Agree	6.00
31622		Dx bronchoscope/wash	2.78		Agree	2.78
31623		Dx bronchoscope/brush	2.88		Agree	2.88
31624		Dx bronchoscope/lavage	2.88		Agree	2.88
31625		Bronchoscopy w/biopsy (s)	3.37		Agree	3.37
31628		Bronchoscopy/lung bx, each	3.81		Agree	3.81
31629		Bronchoscopy/needle bx, each	4.10		Agree	4.10
31630		Bronchoscopy dilate/fx repr	3.82		Agree	3.82
31631		Bronchoscopy, dilate w/stent	4.37		Agree	4.37
#31632		Bronchoscopy/lung bx, add'l	1.03		Agree	1.03
#31633		Bronchoscopy/needle bx add'l	1.32		Agree	1.32
31635		Bronchoscopy w/fb removal	3.68		Agree	3.68
31640		Bronchoscopy w/tumor excise	4.94		Agree	4.94
33310		Exploratory heart surgery	18.51		Agree	18.51
33315		Exploratory heart surgery	22.37		Agree	22.37
#34805		Endovasc abdo repair w/pros	21.88		Agree	21.88
#35510		Artery bypass graft	23.00		Agree	23.00
#35512		Artery bypass graft	22.50		Agree	22.50
#35522		Artery bypass graft	21.76		Agree	21.76
#35525		Artery bypass graft	20.63		Agree	20.63
#35697		Reimplant artery each	3.00		Agree	3.00