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July 15, 2011

Louis B. Jacques, MD Director, Coverage and Analysis Group DHHS/CMS/OA/OCSQ/CAG Mail Stop S3-02-01 Centers for Medicare and Medicaid 7500 Security Blvd. Baltimore, MD 21244

David Quintanilla Outreach Lead One PI Program, CBR Team SafeGuard Services LLC 402 Otterson, Suite 120 Chico, CA 95928

RE: Comparative Billing Reports for Providers Billings Sleep Medicine Services

Dear Dr. Jacques and Mr. Quintanilla:

This letter is in response to the Comparative Billing Reports (CBRs) developed and sent by CMS contractor One PI Program in May 2011. The American Academy of Sleep Medicine (AASM), representing over 9,000 members, is the premier professional society for sleep specialists. A number of our members have contacted us by phone, email and in person at our recent annual meeting with concerns about the potential implications of the CBRs. Prior to the distribution of the CBRs, the AASM was contacted by David Quintanilla at One PI Program to discuss the content of the reports. The AASM continues to be interested in collaborating with CMS and One PI Program staff to clarify issues and resolve our members' concerns.

The AASM is concerned that the analysis performed by One PI Program does not take into account the unique nature of the field of sleep medicine. Currently, physicians practicing sleep medicine are not able to designate sleep as a primary specialty. Physicians billing for sleep services come from a broad range of primary specialties including, but not limited to, pediatrics, pulmonology, neurology, internal medicine, cardiology and psychiatry. Depending on their primary specialty, physicians practicing sleep medicine see very different types of patients and perform very different services. For example, a pulmonary sleep medicine physician may see many more obstructive sleep apnea patients than a neurologist specializing in narcolepsy.

Additionally, while some physicians see sleep disorders patients on a parttime basis, others see exclusively sleep disorders patients full-time. Including data reflective of both part-time and full-time sleep physicians in the CBR analysis causes full-time sleep physicians to appear aberrant. Also, physicians practicing sleep medicine have different capacities within their sleep centers. The number of beds per center impacts the total number of sleep tests performed and subsequently read by sleep medicine physicians.

In January 2011, the AASM was notified by CMS that a specialty designation was approved for physicians who are board certified in sleep medicine. When the primary specialty code for sleep is established, physicians specializing in sleep medicine (more than 51% of their patients have sleep related symptoms) will be able to designate sleep medicine as their primary specialty.

Based on the complex billing history and, until recently, limited number of locales reimbursing for home sleep testing (HST) services (codes 95806, G0398, G0399 and G0400), the AASM believes it is inappropriate to include comparison data on these codes for the time period of the CBR (July 2009 – June 2010). For many years, CPT code 95806 was not a payable code per a Medicare National Coverage Determination, although, in some cases, it was paid. The G-codes for HST were and continue to be carrier priced. It is our opinion that a useful comparison of HST services billed by sleep physicians will only be possible in the next few years when policies for HST reimbursement become more consistent in incorporating CPT codes 98500 and 95801, which were added to the CPT codebook in 2011.

Finally, having received a number of de-identified CBRs from our members, the AASM has noted that there appears to be an error in the calculation of geographic norms. The geographic information for all of the reports we have reviewed is the same. This includes reports from New Mexico, Maryland, Illinois, North Carolina, Texas, New Jersey and Washington. For example, the urban norm for CPT code 95810 in all states is 39.7. An accurate calculation of geographic norms is important given that the Medicare population varies greatly based on location. Comparing frequency of billing for Medicare patients in an area with a lot of Medicare patients to billing in an area with a smaller number of Medicare patients is not necessarily a useful comparison.

AASM staff has a number of additional questions and concerns about how the claims data were collected and analyzed. In an effort to assist our members in the review of the CBRs, we have educated our members on reviewing their billing history, documentation, and local policy as well as recommended that they develop a compliance plan. We have asked them to take the reports seriously and take steps to ensure that they are following Medicare guidelines. However, based on our concerns, we recommend that the information found in the CBRs issued to sleep providers be retracted.

We recommend that a new CBR analysis be performed two years following the establishment of the sleep medicine specialty designation by CMS. We recommend dividing the analysis into three groups: credentialed sleep physicians who designate sleep medicine as their primary specialty; other physicians who bill sleep services but do not designate sleep as their primary specialty; and IDTFs who provide the technical component of sleep services. We believe that separating the CBR analysis into these categories will result in more meaningful data. The timing of a new CBR analysis will hopefully also coincide with more consistent local policies for HST reimbursement. Our organization welcomes the opportunity to meet with CMS and One PI

Program executive staff to further clarify the unique nature of sleep medicine and to address our additional questions. Please let me know your availability so that a meeting can be arranged.

Thank you for providing the AASM with the opportunity to comment on the Comparative Billing Reports Initiative.

Sincerely,

Jerome Barrett Executive Director