

2003 Reimbursement for Radiation Oncology

Cautious Optimism

BY GEORGE SILBERMAN

The final hospital outpatient prospective payment system (OPPS) rule was released by the Centers for Medicare and Medicaid Services (CMS) on October 31, 2002. This rule announced payment rates for hospital outpatient services that began January 1, 2003. An in-depth analysis of the 2003 OPPS rule and its impact on oncology in general appeared in the January/February 2003 *Oncology Issues*. Here is a look at what the 2003 payment rates mean for radiation oncology in particular. Overall, the results are mixed: some payments increased and others decreased substantially. You can find these changes in Table 1, which compares reimbursement,

by CPT code, in 2002 to reimbursement in 2003.

To help readers further understand how the 2003 payments are affecting radiation oncology program budgets, we analyzed several clinical scenarios and took a look at their 2003 reimbursement levels. The results are shown in Table 2 (see page 26).

At a glance, conformal external radiation treatments increased by approximately \$2,300 for the full course of therapy over the 2002 rates.

On the other hand, the payment for intensity modulated radiation therapy (IMRT), which has become the standard of care for certain diseases, remained essentially unchanged for 2003.

Table 1: A Comparison Between 2002 and 2003 HCPCS Rates Specific to Radiation Oncology

CPT Code	Status*	Treatment Definition	2002 Payment	2003 Payment	Difference
77280	X	Set radiation therapy field	\$82.97	\$84.39	\$1.42
77285	X	Set radiation therapy field	\$190.38	\$190.51	\$0.13
77290	X	Set radiation therapy field	\$190.38	\$190.51	\$0.13
77295	X	Set radiation therapy field	\$742.69	\$712.51	(\$30.18)
77299	E	Radiation therapy planning		NOT COVERED	
77300	X	Radiation therapy dose planning	\$82.97	\$84.39	\$1.42
77301	X	Radiation therapy dose planning (IMRT)	\$875.00	\$875.00	\$0.00
77305	X	Radiation therapy dose planning	\$82.97	\$84.39	\$1.42
77310	X	Radiation therapy dose planning	\$82.97	\$84.39	\$1.42
77315	X	Radiation therapy dose planning	\$190.38	\$190.51	\$0.13
77321	X	Radiation therapy port planning	\$190.38	\$190.51	\$0.13
77326	X	Radiation therapy dose planning	\$190.38	\$190.51	\$0.13
77327	X	Radiation therapy dose planning	\$190.38	\$190.51	\$0.13
77328	X	Radiation therapy dose planning	\$190.38	\$190.51	\$0.13
77331	X	Special radiation dosimetry	\$82.97	\$84.39	\$1.42
77332	X	Radiation treatment aid(s)	\$153.22	\$148.06	(\$5.16)
77333	X	Radiation treatment aid(s)	\$153.22	\$148.06	(\$5.16)
77334	X	Radiation treatment aid(s)	\$153.22	\$148.06	(\$5.16)
77336	X	Radiation physics consult	\$82.97	\$84.39	\$1.42
77370	X	Radiation physics consult	\$190.38	\$190.51	\$0.13
77399	X	External radiation dosimetry	\$82.97	\$84.39	\$1.42
77401	S	Radiation treatment delivery	\$105.88	\$82.37	(\$23.51)
77402	S	Radiation treatment delivery	\$105.88	\$82.37	(\$23.51)
77403	S	Radiation treatment delivery	\$105.88	\$82.37	(\$23.51)
77404	S	Radiation treatment delivery	\$105.88	\$82.37	(\$23.51)
77406	S	Radiation treatment delivery	\$105.88	\$82.37	(\$23.51)
77407	S	Radiation treatment delivery	\$105.88	\$82.37	(\$23.51)
77408	S	Radiation treatment delivery	\$105.88	\$82.37	(\$23.51)
77409	S	Radiation treatment delivery	\$105.88	\$82.37	(\$23.51)
77411	S	Radiation treatment delivery	\$105.88	\$82.37	(\$23.51)
77412	S	Radiation treatment delivery	\$105.88	\$164.73	\$58.85
77413	S	Radiation treatment delivery	\$105.88	\$164.73	\$58.85
77414	S	Radiation treatment delivery	\$105.88	\$164.73	\$58.85
77416	S	Radiation treatment delivery	\$105.88	\$164.73	\$58.85
77417	X	Radiology port film(s)	\$35.63	\$39.92	\$4.29

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The new payment rates for prostate seed implants are the ones that have seen the most dramatic decrease. In 2002 hospitals performing prostate brachytherapy were reimbursed for the cost of the seeds (\$3,060) and the procedure (CPT code 77778) for a total payment of \$9,404.77. In 2003, however, CMS bundled the cost of the seeds in with the payment for the procedure itself, and also reduced reimbursement for the seeds. The two new bundled payments are now \$5,998.24 (for palladium seeds) and \$5,154.34 (for iodine seeds); decreases of approximately \$3,128 and \$3,972 per patient, respectively.

Still, in an era of decreasing reimbursement levels for most cancer-related care, the outlook for radiation thera-

py in 2003 remains cautiously optimistic. Reimbursement payments for some modalities have increased, while others have remained static or even decreased. Given the differential impact of these reimbursement changes, all programs will need to examine the radiation services or mix of services they provide. ☐

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CPT Code	Status*	Treatment Definition	2002 Payment	2003 Payment	Difference
77418	S	Radiation treatment delivery (IMRT)	\$400.00	\$400.00	\$0.00
77427	E	Radiation therapy management		NOT COVERED	
77431	E	Radiation therapy management		NOT COVERED	
77432	E	Stereotactic radiation treatment		NOT COVERED	
77470	S	Special radiation treatment	\$10.69	\$311.78	\$301.09
77499	E	Radiation therapy management		NOT COVERED	
77520	S	Proton treatment, simple w/o complex	\$400.00	\$524.02	\$124.02
77522	S	Proton treatment, simple w/ complex	\$400.00	\$524.02	\$124.02
77523	S	Proton treatment, intermediate	\$875.00	\$626.60	(\$248.40)
77525	S	Proton treatment, complex	\$875.00	\$626.60	(\$248.40)
77600	S	Hypothermia treatment	\$199.54	\$217.80	\$18.26
77605	S	Hypothermia treatment	\$199.54	\$217.80	\$18.26
77615	S	Hypothermia treatment	\$199.54	\$217.80	\$18.26
77620	S	Hypothermia treatment	\$199.54	\$217.80	\$18.26
77750	S	Infuse radioactive materials	\$263.68	\$82.37	(\$181.31)
77761	S	Apply intrcav radiation, simple	\$6,344.67	\$2,758.08	(\$3,586.59)
77762	S	Apply intrcav radiation, intermediate	\$6,344.67	\$2,758.08	(\$3,586.59)
77763	S	Apply intrcav radiation, complex	\$6,344.67	\$2,758.08	(\$3,586.59)
77776	S	Apply interstit radiation, simple	\$6,344.67	\$2,758.08	(\$3,586.59)
77777	S	Apply interstit radiation, intermediate	\$6,344.67	\$2,758.08	(\$3,586.59)
77778	S	Apply interstit radiation, complex	\$6,344.67	\$2,853.58	(\$3,586.59)
77781	S	High-intensity brachytherapy	\$1,819.31	\$1,097.08	(\$722.23)
77782	S	High-intensity brachytherapy	\$1,819.31	\$1,097.08	(\$722.23)
77783	S	High-intensity brachytherapy	\$1,819.31	\$1,097.08	(\$722.23)
77784	S	High-intensity brachytherapy	\$1,819.31	\$1,097.08	(\$722.23)
77789	S	Apply surface radiation	\$105.88	\$82.37	(\$23.51)
77790	N	Radiation handling	BUNDLED		
77799	S	Radium/radioisotope therapy	\$1,819.31	\$1,097.06	(\$722.25)

*Status Indicators: X-ancillary services, E-non-covered items and services (codes not reportable in hospital outpatient settings, S-significant procedure (not discounted when multiple), N-items and services packaged into APC rate.

Source: ELM Services, Inc., Rockville, Md.

Table 2: A Comparison of Oncology Reimbursement Using Three Clinical Scenarios

Example A Patient Treated with External Beam Therapy

CPT Code	Frequency	2002 Payment	2003 Payment	Difference
99215	1	\$70.25	\$76.30	\$6.05
77295	1	\$742.69	\$712.51	(\$30.18)
77280	1	\$82.97	\$84.39	\$1.42
77300	12	\$82.97	\$84.39	\$17.04
77334	12	\$153.22	\$148.06	(\$61.92)
77414	40	\$105.88	\$164.73	\$2,354.00
77336	8	\$82.97	\$84.39	\$11.36
77417	16	\$35.63	\$39.92	\$68.64
77331	3	\$82.97	\$84.39	\$4.26
NET DIFFERENCE:				\$2,370.67

Example B Patient Treated with IMRT

CPT Code	Frequency	2002 Payment	2003 Payment	Difference
99215	1	\$70.25	\$76.30	\$6.05
77295	1	\$742.69	\$712.51	(\$30.18)
77301	1	\$875.00	\$875.00	\$0.00
77334	7	\$153.22	\$148.06	(\$36.12)
77418	42	\$400.00	\$400.00	\$0.00
77417	16	\$35.63	\$39.92	\$68.64
77336	8	\$82.97	\$84.39	\$11.36
NET DIFFERENCE:				\$19.75

Example C Patient Treated with Prostate Brachytherapy

CPT Code	Frequency	2002 Payment	2003 Payment	Difference
99215	1	\$70.25	\$76.30	\$6.05
77295	1	\$742.69	\$712.51	(\$30.18)
76873	1	\$78.90	\$83.38	\$4.48
77328	2	\$190.38	\$190.51	\$0.26
77470	1	\$10.69	\$311.78	\$301.09
77370	1	\$190.38	\$190.51	\$0.13
77331	1	\$82.97	\$84.39	\$1.42
77790 (Bundled)	1	\$0.00	\$0.00	\$0.00
77290	1	\$190.38	\$190.51	\$0.13
77332	1	\$153.22	\$148.06	(\$5.16)
Seeds		\$3,060.00	(no separate payment)	N/A
77778	1	\$6344.77	(this code cannot be used for prostate brachytherapy)	N/A
G0256 (with palladium seeds)	1	N/A	\$5,998.24	(\$3,406.53)
G0261 (with iodine seeds)	1	N/A	\$5,154.34	(\$4,250.43)
NET DIFFERENCE WITH PALLADIUM SEEDS:				(\$3,128.31)
NET DIFFERENCE WITH IODINE SEEDS:				(\$3,972.21)

Source: ELM Services, Inc., Rockville, Md.