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**AAN STAFF LIAISON**

Gina Gjorvad  
1080 Montreal Ave.  
St. Paul, MN 55116  
Tel: (651) 695-2715  
Fax: (651) 361-4815  
ggjorvad@aan.com  
www.aan.com/go/practice/brains

**IN THIS ISSUE:**

- [EHR Chart Challenge](#)
- [Practice CD-ROM](#)
- [AAN and AMA Conducting Physician Practice Information survey](#)
- [2008 Legislative Priorities](#)
- [Payment System Fact Sheet](#)
- [Payment Policy Subcommittee Recent Activity](#)
- [CAP Update](#)
- [Highlights from the 2008 AAN Winter Conference](#)
- [News on the AAN Website](#)
- [Tools Available on the AAN Website](#)

# BRAINS

**Don't Miss This Opportunity to Get the Latest Updates in Practice Management and Much More**

Even if you missed the 2008 AAN Winter Conference there is still time to register for the 2008 AAN Annual Meeting in Chicago.

Set for April 12 through 20 in Chicago, the week long conference offers something for everyone, including a unique and convenient opportunity to improve your practice with the latest technological advice, codes to help improve your bottom line, and information on how to plan for the future.

**Register by March 7, 2008, and receive early registration discounts. Register today at [www.aan.com/am](http://www.aan.com/am).**

The Annual Meeting is an excellent opportunity to get the latest updates in neurology and tips for improving your practice, meet and network with colleagues.

**Free events for registered meeting attendees:**

**Saturday, April 12<sup>th</sup>**

Practice Colloquium: Health Care at a Crossroads: A Perspective on the Current Climate and How the 2008 Elections Will Impact You  
3:30 p.m.–5:30 p.m.

**Sunday, April 13<sup>th</sup>**

Patient Safety Colloquium: Essential Patient Safety for the Neurologist – Does Your Practice Measure Up?  
9:00 a.m.–12:00 p.m.

BRAINS Colloquium: The BRAINS Behind Our Business  
2:15 p.m.–6:00 p.m.

**Monday, April 14<sup>th</sup>**

Guidelines, Practice, and Advocacy Open House  
3:00 p.m.–5:30 p.m.

**Tuesday, April 15<sup>th</sup>**

EHR Chart Challenge  
1:00 p.m.–4:00 p.m.

**Wednesday, April 16<sup>th</sup>**

Controversial Issues in Practice: The Presidential Politics of Health Care – Do You Know What Your Voting For?  
5:00 p.m.–7:00 p.m.

A detailed description of each course is available on the [AAN website](http://www.aan.com).

**Practice Management Courses** (require additional registration)

**Saturday, April 12<sup>th</sup>**

The Practice of Neurology: Issues in Coding and Reimbursement (Course #1FC.001)  
Course Director: Bruce Sigsbee, MD  
9:00 a.m.–5:00 p.m.

Practice Survival for Neurologists: Business Strategies for Success (Course #1KP.007)  
Course Director: Orly Avitzur, MD, MBA  
6:00 p.m.–8:00 p.m.

**Sunday, April 13<sup>th</sup>**

Making Sure Your Electronic Health Record System is a Success (Course #2AC.005)  
Course Director: Neil A. Busis, MD  
9:00 a.m.–12:45 p.m.

Coding Lunch: Dementia (Course #2CL.001)  
Course Director: Marc R. Nuwer, MD, PhD  
12:00 p.m.–1:00 p.m.

Coding Lunch: Cerebrovascular Disease (Course #2CL.002)  
Course Director: Kenneth Gaines, MD  
12:00 p.m.–1:00 p.m.

Coding Lunch: Neuromuscular Disease (Course #2CL.003)  
Course Director: Peter D. Donofrio, MD  
12:00 p.m.–1:00 p.m.

**Monday, April 14<sup>th</sup>**

Coding Lunch: Movement Disorders (Course #3CL.001)  
Course Director: Jerzy Szaflarski, MD, PhD  
12:00 p.m. – 1:00 p.m.

Coding Lunch: Epilepsy (Course #3CL.002)  
Course Director: Gregory L. Barkley, MD  
12:00 p.m.–1:00 p.m.

Electronic Health Records: Great Tools to Enhance Practice (Course #3LS.001)  
Course Director: Michael Lobatz, MD  
12:00 p.m. – 1:30 p.m.

**Tuesday, April 15<sup>th</sup>**

E/M: Minimize Mistakes, Maximize Reimbursement (Course #4LS.001)  
Course Director: Marc R. Nuwer, MD, PhD  
12:00 p.m. – 1:30 p.m.

**Friday, April 18<sup>th</sup>**

Coding Lunch: Child Neurology (Course # 7CL.001)  
Course Director: Bruce Cohen, MD  
12:00 p.m. – 1:00 p.m.

Coding CPT for Neurodiagnostics (Course #7LS.001)  
Course Director: Neil A. Busis, MD

**EHR Chart Challenge**

Please join the EHR Work Group for the first ever EHR Chart Challenge on Tuesday, April 15, 2008 from 1:00 p.m. to 4:00 p.m. at the 2008 Annual Meeting in Chicago in the Exhibit Hall. Six EHR vendors will each have 20 minutes during which they will follow a script devised by the work group, so that they may demonstrate the capabilities and functions of their system. According to recent surveys 26 percent of medical groups have

an EHR, while another 40 percent are ‘considering’ purchasing one in the next two years. If you are thinking about EHR, the EHR Chart Challenge will benefit you and your practice. You will be able to see some of the current vendors and their products in a controlled ‘neurological’ test setting. Attendance is free and no registration is required.

**New at the 2008 Annual Meeting – Practice CD-ROM**  
For the first time ever the AAN will make available a CD-ROM containing 15 AAN Regional and Annual Meeting course syllabi on a single disk for members to purchase. This product will be available in the AAN Store at the Annual Meeting, on the AAN website through pre-order, and also through the AAN store.

**AAN and AMA Conducting Physician Practice Information Survey**

For the first time in nearly a decade, AAN, the American Medical Association (AMA), and more than 70 other medical specialty societies, have worked together to coordinate a comprehensive multi-specialty survey of America’s physician practices. The purpose of the survey is to collect up-to-date information on physician practice characteristics in order to positively influence national decision makers. Thousands of practices will be surveyed in 2007 and 2008, from virtually all physician specialties to ensure accurate and fair representation for all physicians and their patients.

This project is unique because it explores both the clinical and business side of medical practice. This information is important for the nation’s policy-makers to learn what is truly involved in running a practice that provides expert patient care, while operating a business that is sustainable. A complete understanding of the landscape and the requirements for today’s care is critical. These data will allow medicine to articulate practice concerns to national policy-makers that will lead to policy initiatives that not only help in the short-term but will allow future generations of doctors to continue providing superior care to their patients.

There is a small section in this study pertaining to practice expenses and the amounts that are attributable to you. Please encourage your staff to make these numbers available. The Centers for Medicare and Medicaid Services recently announced that the results of this study are considered critical to update physician payment. This is a vital part of the research and we need to have accurate and complete data. This information remains confidential. The survey firm will not identify any individuals or entities participating in this research to any of the participating organizations.

Dmrkynetec has been retained to conduct the Physician Practice Information survey among a representative random sample of practices in each of the participating specialties. The survey is an important and necessary vehicle for positive change. Please watch for this survey and do your

part in completing it in a thorough and accurate manner if selected to represent our specialty.

### Legislative Priorities Announced for 2008

The AANPA Board of Directors recently approved recommendations by the Legislative Affairs Committee (LAC) or the Academy's Federal Legislative Priorities.

Again this year, physician reimbursement under Medicare remains a top priority. Congress stepped in and provided a .5 percent increase through June 30, 2008 and eliminated a scheduled 10.1 percent cut under Medicare's Sustainable Growth Rate (SGR) formula. Unfortunately a cut of 10.6 percent will go into effect on July 1, 2008 if further congressional action does not take place.

The LAC has been actively pursuing legislation to establish Epilepsy Centers of Excellence at the Veterans Health Administration. At the request of the Academy, Congressman Ed Perlmutter (D-CO) introduced HR 2818 in June and Senator Patty Murray (D-WA) introduced S. 2004 in August of 2007. HR 2818 has 116 cosponsors in the House and is expected to be heard in the House Veterans' Affairs Committee in April. S. 2004 passed the Senate Veterans' Affairs Committee unanimously on November 14, 2007 and is now eligible for action on the floor of the US Senate.

Other priority issues include passing the STOP Stroke Act, increasing funding for NIH, and passing a universal newborn screening bill.

For more information please see the Academy's advocacy web site at <http://www.aan.com/go/advocacy> and also look for Action Alerts in your email inbox that will easily allow you to contact your members of Congress on these and other issues important to neurology.

### Payment System Fact Sheet: Medicare Physician Fee Schedule

*Medicare Learning Network, January 2008*

Medicare Part B pays for physician services based on the Medicare Physician Fee Schedule (MPFS), which lists the more than 7,000 covered services and their payment rates. Physician services include the following:

- Office visits;
- Surgical procedures; and
- A range of other diagnostic and therapeutic services.

Physician services are furnished in all settings including:

- Physicians' offices;
- Hospitals;
- Ambulatory Surgical Centers;
- Skilled Nursing Facilities and other post-acute care settings;
- Hospices;
- Outpatient dialysis facilities;
- Clinical laboratories; and
- Beneficiaries' homes.

### Medicare Physician Fee Schedule Payment Rates

Payment rates for an individual service are based on three components:

#### 1. Relative Value Units (RVU)

The three separate RVUs that are associated with the calculation of payment under the MPFS are:

- Work RVUs reflect the relative levels of time and intensity associated with furnishing a physician fee schedule service and account for more than 50 percent of the total payment associated with a service. By statute, all work RVUs must be examined no less often than every 5 years. The calendar year (CY) 2008 Physician Fee Schedule Final Rule includes the impact of the most recent Five Year Review of physician work RVUs. To maintain budget neutrality, this review resulted in application of a separate 0.8806 adjustment to all work RVUs.
- Practice Expense (PE) RVUs reflect the cost of maintaining a practice such as renting office space, buying supplies and equipment, and staff costs. PE RVUs account for approximately 45 percent of the total payment associated with a given service. The CY 2007 Physician Fee Schedule Final Rule implemented a revised PE methodology that uses a "bottom up approach" for direct costs and supplementary survey data for indirect costs. This methodology is more transparent than the previous PE methodology, allowing specialties and other stakeholders to predict the effects of proposals to improve accuracy of PE payments. We are in the second year of a four-year transition to the revised methodology. The CY 2008 PE RVUs include refinements to the PE inputs, and we continue to work with the medical community to ensure that the PE inputs are correct.
- Malpractice RVUs represent the remaining portion of the total payment associated with a service. There were no revisions to the Malpractice RVUs in the CY 2008 Physician Fee Schedule Final Rule.

#### 2. Conversion Factor (CF)

To determine the payment rate for a particular service, each of the three separate RVUs is adjusted by the corresponding geographic cost index (as explained below). The sum of the geographically adjusted RVUs is multiplied by a dollar CF. The CF is updated on an annual basis according to a formula specified by statute. The formula specifies that the update for a year is

equal to the Medicare Economic Index (MEI) adjusted up or down depending on how actual expenditures compare to a target rate called the Sustainable Growth Rate (SGR). The MEI is a measure of inflation faced by physicians with respect to their practice costs and general wage levels. The SGR is calculated based on medical inflation, the projected growth in the domestic economy, projected growth in the number of beneficiaries in fee-for-service Medicare, and changes in law or regulation. Based on the criteria discussed above, the update to the CF for CY 2008, as published in the November 27, 2007 Physician Fee Schedule Final Rule, resulted in a CF of \$34.0682. However, as a result of the Medicare, Medicaid, and SCHIP Extension Act of 2007, for claims with dates of service from January 1, 2008 through June 30, 2008, the CF for CY is \$38.0870. For claims with dates of service from July 1, 2008 and after, the CF for CY 2008 will revert back to \$34.0682 that was outlined in the Final Rule. There are a number of other factors that may affect payment rates in 2008. These include additional codes from the most recent Five Year Review of physician work RVUs, limits on payments for ophthalmologic procedures required by the Deficit Reduction Act of 2005, and other annual refinements including coding changes.

3. Geographic Practice Cost Indices (GPCI)  
GPCIs are adjustments that are applied to each of the three relative values used in calculating a physician payment. The purpose of these adjustments is to account for geographic variations in the costs of practicing medicine in different areas within the country. We are required to review, and if necessary, adjust GPCIs at least every three years. The CY 2008 Physician Fee Schedule Final Rule includes updated and neutralized GPCIs. Beginning in January 2008, updated GPCIs will be phased in over a two-year period. In CY 2008, GPCIs are calculated as one-half the difference between the fully implemented 2007 GPCIs and the fully implements 2009 (updated) GPCIs. The Medicare, Medicaid, and SCHIP Extension Act of 2007 extended the application of the 1.0 floor in the work GPCI until June 30, 2008 for any locality for which the GPCI index is less than 1.0.

#### Medicare Physician Fee Schedule Payment Rates Formula

[Work RVU x Budget neutrality adjustor (0.8806)\* x Work GPCI + (PE RVU x PE GPCI) + (MP RVU x MP GPCI)] x CF  
\*Round the product of the two factors to two decimal places

To find additional information about the MPFS, visit [http://www.cms.hhs.gov/PhysicianFeeSched/01\\_overview.asp](http://www.cms.hhs.gov/PhysicianFeeSched/01_overview.asp) on the CMS website.

#### **Look to AAN.com for Private Payer Information**

The Academy is increasing its efforts in the area of private payer advocacy. One result is a new page on the Academy website dedicated to payment Policy and Decision Making.

Payers may find the page of interest because there they will find links to such tools as clinical practice guidelines and Academy position statements. Members should look to the page for news briefs on private payer happenings, links to private payer websites, and links to other specialty society private sector initiatives web pages. Additionally, members are encouraged to submit payer grievances through the new page.

“Our goal is to develop positive working relationships with the health insurance industry to identify problems and areas of concern and work together toward solutions,” said Joel Kaufman, MD, FAAN, Chair of the Payment Policy Subcommittee.

The new page can be accessed at [www.aan.com/paymentpolicy](http://www.aan.com/paymentpolicy). If you'd like more information, please contact Katie Kuechenmeister, Academy staff, at [kkuechenmeister@aan.com](mailto:kkuechenmeister@aan.com) or (651) 695-2783.

#### **CMS Adds Natalizumab to list of Part B CAP-approved Drugs**

Effective January 1, 2008, natalizumab (J2323) will be available through the Medicare Part B Competitive Acquisition Program (CAP). The CAP is a voluntary program that offers physicians the option to acquire many injectable and infused drugs used in their practice from an approved CAP vendor, thus reducing the time and cost of buying and billing drugs. While the election period for 2008 is over, you may consider enrolling in this program for 2009.

Recent changes to the program include:

- CAP drug administration claims may now be filed up to 30 days after administering CAP drugs;
- Participating CAP Physicians may now request to leave the CAP within the first 60 days of election if program participation results in a burden to a practice (ex: difficulty meeting CAP drug ordering or billing requirements);
- After 60 days, a Participating CAP Physician may request to leave the CAP if an unexpected change in circumstance causes CAP participation to become a burden to a practice (ex: a change in patient population or practice personnel).

Visit the CMS CAP website at [http://www.cms.hhs.gov/CompetitiveAcquisforBios/01\\_overview.asp#TopOfPage](http://www.cms.hhs.gov/CompetitiveAcquisforBios/01_overview.asp#TopOfPage) for more information

about the CAP. For the complete list of CAP-approved drugs for 2008, visit

[http://www.cms.hhs.gov/CompetitiveAcquisforBios/Downloads/January\\_2008\\_List\\_of\\_Drugs\\_Supplied\\_Under\\_the\\_CAP.pdf](http://www.cms.hhs.gov/CompetitiveAcquisforBios/Downloads/January_2008_List_of_Drugs_Supplied_Under_the_CAP.pdf)

### **It Pays to Know the Latest Business Trends in Practice Management**

#### Practice and Technology

This is one in a series of articles designed to help clinical neurologists and their staffs achieve success in today's—and tomorrow's—medical environment.

By William S. Henderson, FACMPE  
Administrator, Upstate Neurology Consultants  
Member, AAN.com Practice and Technology Editorial Board  
Member, Practice Management and Technology Subcommittee  
Member, BRAINS  
[Author Disclosure](#)

As part of the [January 2008 AAN Winter Conference](#) in Miami, the AAN Winter Practice Management sessions offered courses to inform members of recent innovations and changes in practice management, functionality, and efficiency. The courses covered a wide range of topics, including the latest in coding procedures, modifier usage, claims and billing, and many other important business functions for running an effective neurological practice.

For members who missed any of the Winter Conference sessions, presentations and syllabi will be available to members at the Academy's Annual Meeting in April. Pre-orders (\$39) are available [here](#).

Patterned after the Fall Conference, the Practice Management Series covered basic and advanced subjects on the business side of neurology, with a third session devoted to special topics. The battery of courses provided an extended, engaging presentation of virtually every business area that a practicing neurologist needs.

Subjects in the Basics Series (Practice Management 101) included:

- Basic information for the proper coding of neurological diagnoses (ICD-9-CM),
- Overviews of the current 2008 codes,
- Insights into CPT coding for neurological procedures, featuring the key CPT codes and modifiers for proper coding—presentations ranged from EMG, EEG, and Botox to infusion and correct modifier usage,
- Discussions on evaluation and management documentation (with E/M codes making up over 80 percent of all charges, it's essential for neurologists to know how to accurately code for these visits), and
- Tricks and techniques for reducing claims denials and avoiding coding pitfalls.

The Basics Series offered a direct message: a practice that doesn't bill properly will find itself in serious jeopardy.

The Advanced Series (Practice Management 201) focused on more intense, but crucial, topics in practice management. Subjects included:

- Working smarter in 2008—managing PPOs, dealing with payment denials by insurers, and benchmarking payers in a practice,
- Surviving chart audits by an insurer—although neurology accounts for less than 2 percent of all health dollars spent in the United States each year, most neurologists don't realize how likely it is for them to be audited, and
- Assessing and managing medical liability risks—how can neurologists most effectively identify and address aspects of their practice with the greatest potential for legal liability? Key areas identified in this session included:
  - Effective communication with patients: listening, questioning and giving positive support,
  - Encouraging patients to participate in their health care decisions,
  - Managing advance directives and end-of-life care, and
  - Understanding surrogate decision making.

In addition to these topics, the Advanced Series detailed guidelines—[such as those offered by the AAN](#)—that provide crucial help to neurologists, allowing for a practice grounded in the use of evidence-based medicine in an explicit, transparent, and defensible manner.

For the Special Topics (Practice Management 301) Series, subjects included:

- General strategic planning issues for neurologists looking to the future with an eye on making their practices profitable,
- Billing dos and don'ts for advanced practice providers (nurse practitioners and physician assistants),
- Incident-to billing and analysis of financial contribution margins for APPs,
- Infusion billing updates (including tips on how to get started with infusion),
- Compliance issues with a special impact on neurology practices, in association with clinical research billing compliance issues that are closely linked to CMS and HIPAA issues,
- Office of Inspector General's audits of consultation, and
- PQRI performance measures for 2007 and 2008 (for which CMS will reimburse practices if they document their compliance).

A number of crucial areas were discussed in the Special Topics Series, all of which can be used to maximize a practice's effectiveness and viability.

The evolving business of health care may be a daunting subject for those who want to stay on top of the latest trends. The AAN Winter Practice Management sessions provided valuable information on a number of key issues that will help the neurological community keep on top of new developments.

### **Session Highlights**

Here are some new concepts I learned about while attending all of the Practice Management presentations:

- It's very important to explore new medical services that you can offer to your patients; at the same time, you should watch carefully to see that you aren't losing money on your current services.
- Neurologists with hospital privileges are not being adequately reimbursed for their time, especially those with on-call services. At some point hospitals must decide if they want to work collegially with neurologists in the community (by paying them an on-call fee) or hire their own neurologist to see the hospital's patients.
- An increase in the number of new quality measures for CMS PQRI in 2008 deserves a second look (especially for those who didn't participate in 2007). Thanks to [AAN resources](#), we are having a much easier time with 2008 PQRI than in 2007.
- I picked up a really useful pro forma on developing an infusion business, plus lots of experienced advice.
- The business experience of one large neurology practice with APPs has helped me develop a better model for determining the profitability of our physician's assistant.
- I now have a better appreciation for the clinical guideline development process and how to use it in discussions with our neurologists.
- There are many areas to benchmark in a practice: be sure to choose the most important ones.

### **News from the AAN Website**

[April 1 Deadline Approached for Required Use of Medicaid Tamper-proof Prescription Pads 2-21-08](#)

[New Guideline Identifies Those Most at Risk of Falls 2-19-08](#)

[More BCBS Plans Agree to Pay \\$10 Million 2-14-08](#)

[NPI Required on Claims Starting March 1 2-7-08](#)

[Botulinum Toxin Coding Questions Answered 2-5-08](#)

[New Technology Page is Essential Resource for Members 2-5-08](#)

[Practice and Technology Editor's Report 2-1-08](#)

[UnitedHealthCare Premium Designation Program 2-1-08](#)

[EHR Demonstrations at Annual Meeting to Compare Vendors 1-29-08](#)

[AAN & AMA Conducting Physician Information Survey](#)

### **Tools on the AAN Website**

[Assessing patients in a neurology practice for risk of falls \(an evidence-based review\) February 2008](#)

[Clinician Summary](#)

[Patient and Caregiver Summary](#)

[Case Study and Coding](#)

[Patient Safety Tips and Tools](#)

[2008 Neurology PQRI Measures and Specifications](#)

[2008 PQRI Tools](#)

[Payment Policy and Decision Making Webpage](#)

[Coding Frequently Asked Questions](#)

[Stroke Coding Guide](#)

[ICD-9 Coding for Stroke](#)

[2007 EHR Vendor Report](#)

[Guide to AAN Mailing Lists](#)

[AAN Applications for PDA](#)