

2005 CPT Code Update: CMS Publishes Higher Values

By P. Shane Burras, LAc



The Centers for Medicare & Medicaid Services (CMS) has just published a new determination of "customary and reasonable" fees for the acupuncture CPT codes introduced at the beginning of 2005. As a result of the new determination, CMS has increased these fees by an average of 63 percent for acupuncture and electroacupuncture.

In January 2005, the American Medical Association (AMA) replaced existing Current Procedural Terminology (CPT) codes for acupuncture and electroacupuncture with an entirely new set of codes. Subsequently, CMS published relative value unit (RVU) valuations for these new codes. Due to an error in the publication, however, these initial RVUs significantly undervalued acupuncture services. (*Editor's note:* See "AIMS Conducts Analysis of New CPT Codes" in the April 2005 issue.) Acupuncturists across the nation were adversely impacted by this CMS error. As a direct result of these published rates, many commercial insurance companies and managed care networks reduced the "customary and reasonable" amounts for the new CPT codes to rates far below what many providers consider minimum payment for these services.

The acupuncture profession has been deeply concerned about the implications of these low RVU values. Acupuncture associations nationwide have been deeply concerned for the financial future of their members and the profession. Organizations such as the American Association of Oriental Medicine (AAOM) and Acupuncture and Integrated Medicine Specialists (AIMS) have worked hard to ensure that their members have the most up-to-date information available. In March 2005, AIMS conducted an investigational examination of the new CPT codes. Following on the heels of this work, the AAOM formed the National CPT Code Task Force, and invited representatives from

state associations across the nation to participate. Connie Taylor, LAc, president of the California State Oriental Medical Association (CSOMA), and me were selected to co-chair the task force.

The CPT code task force worked collaboratively to present a united front focused on addressing the deficiencies in the new codes and their valuations.

Corrected RVUs Now Available

The National CPT Task Force is pleased to report that effective July 1, 2005, CMS has published corrected relative value unit amounts retroactively to Jan. 1, 2005 for the new acupuncture CPT codes (97810, 97811, 97813, and 97814). This information published by CMS will positively affect the financial lives and practices of acupuncturists across the nation.

Below is an example of the fee calculation for Los Angeles County. As you can see, this change represents a dramatic increase in the fees.

CMS Values

CPT Code	January 2005	July 2005
97810	\$24.94	\$41.38
97811	\$22.78	\$31.78
97813	\$23.52	\$44.24
97814	\$22.95	\$35.93

If you are interested in the nuts-and-bolts details behind these changes, they are available at www.aaom.info/calc_0605_rvu.pdf.

The National CPT Code Task Force will continue its work by facilitating the dissemination of this new information, by educating commercial and other insurance carriers, and by providing carriers with the data needed to make fair determinations of "reasonable and customary" fees. Insurers have historically utilized the CMS fee schedule as the de facto "minimum wage" indicator for providers across the nation. These changes will affect every provider of service nationwide. Only by staying

informed, educated and active in our organizations can the profession pull together and fight to preserve our financial future.

The task force will continue to provide insurers with the information they need to bring their fee schedules into alignment with the new CMS values, but these decisions are ultimately in the hands of individual carriers.

Many thanks go out to the individual participants and associations across the nation who have helped effect this change. This effort serves to illustrate the amazing results that are possible through collaborative efforts to advance the acupuncture and Oriental medical profession. This, however, is only the beginning. Future diligence is necessary to preserve our other rights and privileges as providers. Scope of practice and insurance parity laws are vastly important to our profession, and we need to continue moving in the direction of unity across organizations to tackle these difficult issues.

Special thanks should go to the American Association of Oriental Medicine for sponsoring this task force; to the California State Oriental Medical Association for working diligently alongside AIMS on this project; to Gene Bruno, Will Morris and Connie Taylor for the leadership they provided in this process; and to AAOM Executive Director Rebekah Christensen, for her endless support, without which this achievement would not have been possible.

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