January 2012

Dear Medical Director:

The American Urological Association has been made aware of an issue adopted by your commercial carrier whereas urinalysis reimbursement is bundled into the evaluation and management service. This is an improper edit and we request reconsideration of this matter.

In 1998, the American Medical Association (AMA) contacted HCFA now known as the Centers for Medicare and Medicaid Services (CMS) about the bundling of urinalysis with evaluation and management services. Correspondence enclosed discloses that this was an improper edit implemented with the “black box edits” and was corrected by HCFA. We have found other bundling issues similar to this when outside software editing programs have been purchased by commercial carriers.

The American Urological Association believes that physicians should be reimbursed for work performed. As such, the bundling of urinalysis codes with evaluation and management services is inappropriate. Urologists cannot properly treat patients who present with pain, symptoms of urinary tract infections, hematuria or other associated genitourinary distress, unless a urinalysis is performed at the time the patient is seen in the office. It would not be in the best interest of the patient to have them go to an outside laboratory to perform a urinalysis/culture and delay treatment of the problem for as long as a week. Both the AMA and CMS recognize that there is unique physician work and practice expense assigned to a urinalysis; these relative value units (RVUs) are used to appropriately determine the payment for urinalysis. These RVUs are not included in the physician work and practice expense of an E&M visit.

The AUA respectfully requests that you delete this improper edit in your program and allow urologists to be reimbursed for urinalysis. It is important that we work together to solve this issue in the best interests of the urological patient.

In the case of an appeal by a physician, all other correspondence should be directed to the medical office requesting the review of the denied claim.

If you have any other questions or would like to discuss this bundling issue further, please contact Stephanie N. Stinchcomb, Senior Manager of Reimbursement and Regulation, at 866-746-4282, extension 3786.

Sincerely,

David Penson, M.D., MPH
Chair, Health Policy Council