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July 1, 2015

Christopher Ullrich, M.D., Chairman
North Carolina State Health Coordinating Council and Technology and Equipment Committee
c/o Medical Facilities Planning Branch
2714 Mail Service Center
Raleigh, NC 27699-2714

RE: Alliance Healthcare Services Comments Regarding the Potential Use of MRI CPT Code Data for Planning Purposes

Dear Dr. Ullrich and Committee Members,

Alliance Healthcare Services (“Alliance”) appreciates the opportunity to provide comments regarding the potential use of MRI CPT data for planning purposes. Alliance does not support the use of the CPT code data because this information is simply not necessary for the MRI need methodology in the State Medical Facilities Plan (“SMFP”). The reporting of CPT code data is burdensome and costly to report, especially for mobile MRI providers.

Each year, Alliance works diligently to complete the MRI equipment inventory forms with accurate data regarding the numbers of MRI procedures performed by each MRI at each facility location or host site. If there are discrepancies in the annual MRI procedure totals, Alliance can easily investigate the reporting variance with the facility or host site. Up until the 2010 MRI Equipment Inventory reports, there had been no requirement to report the numbers of MRI procedures by CPT code. In order to comply with this new reporting requirement Alliance began generating custom reports to identify the MRI CPT codes that are utilized at each host site. Some mobile MRI scanners provide service for up to 10 host sites in a year. Therefore the annual MRI inventory form for this one scanner could include 20 pages of CPT data. Also consider that some host sites utilize more than one mobile MRI. Consequently, the task of reporting the CPT codes on the MRI inventory forms is time consuming, tedious and costly. Adding to the complexity of reporting CPT codes is the fact that there are numerous MRI CPT codes and over time new CPT codes have been added. If the CPT reporting requirement were eliminated this would reduce reporting expenses for Alliance.

P.O. Box 2154 Reidsville NC 27323

The State Medical Facilities Plan includes the MRI need determination and the methodology and assumptions that have no reliance on the MRI CPT data. In fact, there is no mention of CPT code data in any of the SMFP text or the MRI tables. No alternate MRI methodology has been proposed that is based on CPT procedures as a substitute to the current MRI methodology. If the reporting of CPT data were discontinued, the MRI need methodology in the SMFP would continue to function because the annual MRI procedure volumes will still be reported in the inventory forms. Eliminating the CPT reporting would allow MRI providers and the Planning staff additional time to focus on the accuracy of the annual MRI procedure volumes that is vital to the methodology.

A comparison of the MRI procedures to the CPT codes for the four largest counties in North Carolina is provided below to show the large variances between numbers of reported MRI procedures and CPT procedures.

Table 1A

	2014		
	MRI Procedures	CPT Procedures	Variance %
Mecklenburg	94,174	85,241	-9.49%
Wake	77,902	79,099	1.54%
Guilford	53,160	53,147	-0.02%
Forsyth	65,459	65,262	-0.30%

Table 1B

	2015		
	MRI Procedures	CPT Procedures	Variance %
Mecklenburg	95,531	99,232	3.87%
Wake	76,178	72,298	-5.09%
Guilford	53,272	50,415	-5.36%
Forsyth	64,523	60,746	-5.85%

Source: NC DHSR Planning Branch report; MRI Procedures and CPT Code Totals
May 13, 2015 Technology and Equipment Committee

Large percentage variances are seen in Table 1B between the MRI procedures and the CPT procedures reported in 2015. These variances should be of concern because future MRI need determinations more frequently occur in the largest counties with strong population growth. The variances point to the likelihood that the CPT code data is inaccurate and incomplete. Several factors probably contribute to the erroneous CPT totals for these counties:

- Reporting errors and omissions by the providers
- Data entry errors
- Errors in the formulas or links in the Excel worksheet

No mechanism has been implemented to reconcile the MRI procedure totals with the CPT totals.

The following tables provide the reported numbers of MRI procedures and CPT procedures in 2014 and 2015.

Table 2A

	2014	2015	
	MRI Procedures	MRI Procedures	2014 to 15 Change
Mecklenburg	94,174	95,531	1.44%
Wake	77,902	76,178	-2.21%
Guilford	53,160	53,272	0.21%
Forsyth	65,459	64,523	-1.43%

Table 2B

	2014	2015	
	CPT Procedures	CPT Procedures	2014 to 15 Change
Mecklenburg	85,241	99,232	16.41%
Wake	79,099	72,298	-8.60%
Guilford	53,147	50,415	-5.14%
Forsyth	65,262	60,746	-6.92%

Source: NC DHSR Planning Branch report; MRI Procedures and CPT Code Totals
May 13, 2015 Technology and Equipment Committee

Table 2A shows modest changes for these four counties in the 2015 MRI annual procedure volumes as compared to the 2014 procedure volumes. Annual increases or decreases of 2 percent that are based on the reported annual numbers of MRI procedures are credible.

In contrast, Table 2B reflects large percentage changes for these four counties in the 2015 CPT procedures as compared to the 2014 CPT procedure totals that do not appear reasonable or accurate. It is not plausible that the Mecklenburg MRI utilization increased by 16.41 percent based on the 85,241 CPT procedures in 2014 increasing to 99,232 CPT procedures in 2015. Also, the 2014 and 2015 CPT procedures for Wake County are not credible because these figures reveal an 8 percent decrease. The decreases reflected in the CPT procedures for Guilford and Forsyth Counties also do not appear to be reliable.

In summary, Alliance recommends that the reporting of CPT procedure volumes be discontinued because the overall accuracy of the CPT procedure data has not been reconciled with the MRI procedures totals. Inconsistencies between the CPT procedures totals and the MRI procedure totals for some counties could become a concern in Certificate of Need reviews or appeals. If the reporting of CPT procedures were discontinued there would be no adverse effect on the MRI methodology.

Thank you for your consideration of these comments. If you have any questions, please contact me by email at djfrench45@gmail.com.

Sincerely,

A handwritten signature in cursive script, appearing to read "David J. French".

David J. French
Consultant to Alliance Healthcare Services