



PRESIDENT'S REPORT 2006

The President's Report is delivered each December during the NAEC Annual meeting held concurrent to the Annual AES meeting. For more information, please contact the NAEC at (952) 525-4526 or by e-mail at info@naec-epilepsy.org.

Ever-changing insurance policies continue to make it difficult for comprehensive epilepsy centers to provide patients with quality care for intractable epilepsy. On the local level, private and public insurers are aggressively limiting coverage for diagnostic tests, including the core service for epilepsy centers EEG with video monitoring. This is forcing epilepsy centers to submit additional documentation when services exceed or don't meet the limitations, initiating medical reviews and appeals that, while often successful, cause significant delays in payment. On the national level, reductions in Medicare payments for physician services are on the horizon. While Congress and the Administration have expressed a willingness to address some of these payment issues, the federal cost to maintain current payment levels is significant and it is unclear if even a short term resolution will occur for payments for 2007. In addition, there has been much discussion that any long-term fix of the physician payment problem must be accompanied by the adoption and use of quality measures and health information technology by physicians. With a new Democratic-controlled Congress the chances of a costly fix become even more difficult as issues affecting beneficiary costs (premiums and drugs) could take priority.

This scenario makes for a challenging year ahead for NAEC and its member centers. NAEC will continue to work with centers to address the local coverage policies that limit reimbursement for EEG with video. NAEC also plans to proactively approach insurers with model policies on EEG with video and other diagnostic tests. With the national push for quality measures, NAEC has initiated an effort with both the AAN and AES to develop quality practice measures in epilepsy care so that epileptologists have the ability to participate in Medicare's likely move to some form of pay-for-performance program (described below). In the coming year, a more active grass roots advocacy strategy will be needed to address Medicare's continued low payment for physician services. Several NAEC physicians are very interested in spear heading such an effort with NAEC's strong support.

NAEC Assists Centers in Addressing Local Insurance Policies Limiting Coverage for EEG with Video Monitoring

Of significant concern to comprehensive epilepsy centers is the increase in public and private insurance policies placing limitations on coverage for EEG with video monitoring (95951). Over the past two years, we have seen local Medicare carriers draft policies restricting coverage for EEG with video to no more than three consecutive days, a limited number of diagnoses codes, to exclude children and neonates or follow-up studies once a diagnosis is made, as well as other restrictions. While exemptions to such policies may be made on a case-by-case basis, reviews for medical necessity require significant documentation on the part of providers and consequent delays in payment.

This trend may become more prevalent in the coming years. Typically, insurers set coverage limitations when they see an increase in the volume of claims and payment for a service. Our sense is that CPT Code 95951 is being billed much more frequently for services provided on an outpatient basis, not only in the hospital, but in physician offices and patients' homes. Unfortunately, this is jeopardizing coverage for EEG with video during the intensive medical and surgical inpatient evaluation. The key to combating these policies is educating insurers about the services provided by comprehensive epilepsy centers in the diagnosis and treatment of patients with intractable epilepsy.

At the beginning of 2006, NAEC worked with its centers in MD, VA, and TX to address the draft coverage policy proposed by Trailblazer, the Medicare carrier for these states. This policy would have limited coverage for EEG with video to no more than three days per year and limited the diagnoses codes considered medically necessary for testing. In addition to NAEC commenting on the policy almost all of the centers in the states covered by Trailblazer wrote letters asking for revisions to the policy. Dr. Alan Krumholz, Medical Director at the University of Maryland Epilepsy Center, joined Ellen Riker, NAEC's Washington Representative, in a meeting with the Trailblazer Medical Director, Dr. Laurence Clark. Dr. Nathan Fountain, the Medical Director at the University of Virginia's Comprehensive Epilepsy Program and a NAEC Board Member, also had several phone conversations with Dr. Clark on specific diagnoses code problems. This full court press resulted in significant changes to the policy that benefited epilepsy centers.

Currently, NAEC is working with the epilepsy centers in the states covered by Blue Cross Blue Shield of Arkansas (AR, NM, OK, MO, RI, and LA) on its policy restricting coverage for EEG with video. This policy would not cover the test provided to neonates or patients that are candidates for resective surgery. In addition to submitting comments, NAEC is seeking a meeting with the carrier medical director.

NAEC stands ready to assist its member centers in addressing these policies. NAEC has drafted suggested guidance to insurers related to coverage policy for EEG with video and a document detailing the major services provided by epilepsy centers. While the Association tries to monitor local insurance changes effecting epilepsy centers, it is key for each center to notify NAEC when it is alerted to changes in insurance policies. Because the Trailblazer policy was still in draft form and open for comment, NAEC and the centers in MD and VA were successful in revising the policy minimizing harm to the

comprehensive centers. We are hopeful that our intervention with BCBS of Arkansas can have similar positive results.

NAEC Seeks Proactive Strategy to Meet Federal Push for Quality Measures, Pay for Performance, and Health Information Technology Adoption

On the national front, both Congress and the Administration have developed proposals to link Medicare payments for providers (hospitals, physicians, homecare and skilled nursing facilities) to services that result in high quality outcomes. Numerous pieces of legislation directing CMS to institute a pay for performance system, which would link a portion of Medicare payments to services that conform to evidence-based practice measures, were introduced in the House and Senate in 2006. How such a system would work is still unclear, but CMS began a voluntary reporting program on January 1, 2006 for physicians. CMS selected 16 evidence-based quality measures endorsed by physician specialty societies and quality care experts for physicians to report to CMS by submitting newly created codes on Medicare claim forms. There is no additional payment for reporting these measures, but participating physicians receive feedback on how they compare to other physicians reporting on the same measures. CMS announced their intention to increase the number of measures to 86 starting on January 1, 2007. CMS has identified 9 neurological measures for 2007, all associated with stroke and stroke rehabilitation. A fact sheet on CMS's Physician Voluntary Reporting Program can be found at:

<http://www.cms.hhs.gov/providers/p4p/>

With both the Congress and the Administration behind quality measure reporting and the possibility that a pay for performance program may be incorporated into the Medicare physician payment system, NAEC reached out to the American Academy of Neurology and the American Epilepsy Society, to develop a set of quality measures for treating patients with epilepsy. Ideally, this collaboration will identify measures that can improve primary care for patients with epilepsy as well as measures that would be performed by epileptologists.

Summary of NAEC Activities for 2006

NAEC has maintained its focus on identifying opportunities to promote the comprehensive specialized services provided by epilepsy centers and to improve coverage and payment for these services by both public and private insurers. The Association worked directly with the Department of Health and Human Services and its agencies such as the Centers for Medicare and Medicaid Services (CMS), the Centers for Disease Control and Prevention (CDC), the Health Resources and Services Administration (HRSA), and the National Institutes of Health (NIH). NAEC continues to work closely with the American Academy of Neurology (AAN) on coding and the development of relative values and with the Epilepsy Foundation and the American Epilepsy Society on research and public health issues of importance to people living with epilepsy. In addition, NAEC has reached out to private insurers and local Medicare carriers to educate these organizations about the specialized services provided by centers. With the development and expansion of NAEC's website and more frequent

mailings, the Association is providing its members greater access to important information on a timely basis.

NAEC Website

NAEC has increased efforts to expand and develop the www.naec-epilepsy.org website. Information is now available for epilepsy care providers to access all new and important information. Additionally, epilepsy patients can access the website to find an epilepsy center that is closest to them. Information on the NAEC website is updated regularly and includes all information contained in news alerts and mailings. NAEC will be launching a newly designed website in January of 2007.

Coding Manual Resource for Comprehensive Epilepsy Centers

NAEC will soon be distributing a coding manual for members to use as a resource in complying with public and private insurance coding and reimbursement policies. The *2007 Coding Manual Resource for Comprehensive Epilepsy Centers* provides information on correct coding for medical and surgical epilepsy procedures, the use of modifiers, coding edits, and the proper use of diagnoses codes. The manual will provide epilepsy treaters a primer on coding basics as well as a reference on general reimbursement questions.

As an additional resource, the manual includes information on recent local Medicare coverage decisions related to epilepsy services. The manual also includes the current list of Medicare carriers and medical directors with their contact information. We anticipate updating this manual every two to three years.

US News and World Report

NAEC once again provided *US News and World Report*, the results from its survey of level 4 epilepsy centers for its "Best Hospitals 2006" edition published on July 9, 2006. This is the third year *US News* has included Level IV epilepsy centers as a key component in ranking hospitals with superior neurology and neurosurgery departments. NAEC submitted 83 Level IV epilepsy centers for this year's ranking. In addition to an epilepsy center, the other elements used to rank neurology/neurosurgery departments included number of patients discharged, mortality rates, R.N. to patient ratio, specialized technologies and patient services and trauma centers. The ranking of hospitals with superior neurology and neurosurgery departments can be found at:

<http://www.usnews.com/usnews/health/best-hospitals/rankings/specihgneur.htm>

ICD-9-CM Diagnosis Codes

With an effective date of October 1, 2006, several epilepsy diagnoses coding changes proposed by NAEC were included in the ICD-9-CM edition for 2007. With the support of the American Academy of Neurology, the Child Neurology Society, and the American Epilepsy Society, NAEC requested that the 345-section title be revised and called

“Epilepsy and Recurrent Seizures” and that the term recurrent seizures be added to codes 345.8 and 345.9. In addition, NAEC proposed editorial changes to the partial epilepsy codes to reflect more current terminology. NAEC Board Members, Robert J. Gumnit, David Labiner and Greg Barkley were actively involved in this effort.

2007 Medicare Final Rules on Hospital Inpatient and Outpatient Prospective Payment Systems and the Physician Fee Schedule

Please refer to attached summaries and supporting documents.

National Institutes of Health/National Institute of Neurological Disorders and Stroke

NAEC has served on the planning committee for the upcoming NIH conference, “Curing Epilepsy 2007, Translating Discoveries into Therapies.” The conference will be held on the NIH campus on March 29 and 30, 2007. Similar to the conference held in 2000, the intent of the Curing Epilepsy conference is to lay out a blueprint for epilepsy research over the next five years. NAEC encourages its members to take part in this important discussion.

CDC Epilepsy Program

The Centers for Disease Control’s Epilepsy Program, with an annual budget of about \$8 million, is continuing its efforts to improve care and treatment, communications, self-management, epidemiologic and prevention research, and increasing public awareness and knowledge about epilepsy. The links below provide an updated overview of the activities and research funded by the CDC Epilepsy Program.

CDC’s Epilepsy Program Activities:

http://www.cdc.gov/Epilepsy/program_activities.htm

CDC’s Epilepsy Research Grants:

http://www.cdc.gov/Epilepsy/research_projects.htm

Health Resources and Services Administration (HRSA) – Grants to Improve Care to Children and Youth with Epilepsy

A grant program sponsored by HRSA, aimed at improving access to epilepsy care for children and youth in medically underserved areas, recently completed its second year of implementation. The grants which were awarded in the Fall of 2004 are broken down into three categories:

1. Statewide demonstration project grants were awarded to the Medical College of Wisconsin, Children’s Hospital of Los Angeles, and University of West Virginia, District of Columbia Department of Health, Easter Seals of Oregon

and the Epilepsy Foundation to improve access to health care in medically underserved areas.

2. A grant was awarded to the National Initiative for Children's Healthcare Quality (NICHQ) to identify and implement quality measures in epilepsy care to support the statewide demonstration projects.
3. A grant was awarded to the Epilepsy Foundation to develop a national public education and awareness campaign directed toward racial and ethnic populations to improve access to care.

In 2007, as the current demonstration program will come to a close, HRSA will be releasing a new three year initiative that continues its mission to improve access to comprehensive, coordinated health care and related services for children and youth with epilepsy. In the next few months, HRSA will seek applications for:

- 1) Grants to develop and implement a plan to improve community-based systems of care for children and youth with special health care needs (8 grants will be available for \$235,000 per year for 3 years)
- 2) A cooperative agreement to develop and disseminate resources such as policy briefs and reports on trends and issues related to improving systems of care for children and youth with epilepsy (1 cooperative agreement will be available for \$750,000 for 3 years).

NAEC has continued to support the HRSA program over the last two years by serving in an advisory capacity to the epilepsy program staff and to NICHQ. NAEC President, Robert J. Gumnit, MD serves as an advisor to NICHQ in these efforts.

Objectives for 2007

In 2007, priority will be placed on developing epilepsy quality measures with AAN and AES and working directly with private insurers and assisting member centers in working with their local insurers to assure that adequate coverage for epilepsy services is maintained. NAEC will also continue its efforts to:

- Aggressively advocate for improved Medicare and private insurance reimbursement for epilepsy services, including physician services, hospital outpatient department payments and improved coverage for inpatient hospital care and new technologies.
- Provide membership with coding and reimbursement information as well as other legislative and regulatory information affecting comprehensive epilepsy care.
- Participate in activities carried out by CDC's Epilepsy Program, including follow-up efforts to the "Living Well with Epilepsy II" conference and HRSA's demonstration grant program.
- Identify areas and projects of mutual interest to pursue in collaboration with other epilepsy organizations.

Contact Us

Contact the NAEC office by phone at 952-525-4526 or by e-mail at info@naec-epilepsy.org with questions.