Medicare Care Coordination Improvement Act

The National Association of Spine Specialists (NASS) believes the physician self-referral (a.k.a. “Stark”) law must be modernized, to permit physicians to participate and succeed with the intent behind MACRA – to collaborate within and across specialties to improve patient care, lower costs and improve efficiencies within the healthcare system.

BACKGROUND: In 1989, Congress enacted the Physician Self-Referral Law (also known as the “Stark Law”), which limited physician self-referrals in Medicare under certain circumstances. The law and regulations also provide a series of exceptions for certain financial arrangements that must meet specific criteria. Examples of exceptions that allow for certain arrangements that might otherwise be prohibited under the law include the Physicians’ Services exception, which allows for physician services provided personally by or under the personal supervision of another physician in the same group practice as the referring physician, and the In Office Ancillary Services exception.

ONGOING CONCERNS: Over the years, some alterations have been made to the Stark regulations, including additional exceptions. However, the law and regulations were written well before policy makers began to place a priority on providing incentives for physicians to move from fee-for-service Medicare into value-based payment models. Given the general principle under Stark that arrangements cannot provide compensation based on the “volume or value of referrals,” new payment arrangements and care coordination models that provide incentives to reduce unnecessary services or increase use of efficient services can be difficult to implement without running afoul of Stark restrictions as currently written. This has become of increasing concern as the sunset of the Advanced APM Incentive Payment created by the MACRA approaches.

LEGISLATIVE RESPONSE: NASS supports the Medicare Care Coordination Improvement Act of 2019 (S. 966/H.R. 2282) introduced by Senators Rob Portman (R-OH) and Michael Bennet (D-CO), and by Representatives Raul Ruiz (D-CA), Larry Bucshon (R-IN), Ron Kind (D-WI), and Kenny Marchant (R-TX). The legislation is primarily designed to: modernize the physician self-referral prohibitions; promote care coordination in the MIPS program; and facilitate physician practice participation in alternative payment models under the Medicare program.