Basic Legal Issues

- 3 Certifying organizations (certification NOT required)
  - American Registry of Diagnostic Medical Sonography (ARDMS)
  - Cardiovascular Credentialing International (CCI)
  - American Registry of Radiological Technologists (ARRT)
Basic Legal Issues

• PRECEDENT HAS BEEN SET BY OTHER NON-RADIOLOGISTS
• OB
• VASCULAR LABS
• CARDIOLOGY
• UROLOGY
• NO STARK LAW ISSUES
Picking a Portable US Machine

- **Image Quality** (frequency/resolution/channels/display)
- **Ease of Use** (depth, focus, saving, ....)
- **Size/Weight**
- **Additional/Special Features**
  - (DICOM wired or wireless interface, software, hard drive, usb ports, operating system access)
- **Warranty** (1yr or 2yr or 5yr; onsite exchange?)
Initial Cost Of Portable US Machine

• Actual cost ranges from $32,000 to $42,000 (w/transducer)
• Software upgrades may be extra
• Cart/Stand is an extra cost
• Extended warranty is expensive so check on basic warranty
• May not have tax if purchased from out of state
Initial Cost Of Portable US Machines

• Estimate $35,000 “all in”
True Cost Of Portable US Machine

After Tax Cost

A $35K machine bought in 2011 can be written off COMPLETELY in 2011 subject to income and deduction limitations.

Result is a 35% direct tax benefit in 2011 of $14K

After tax cost of US machine is $22,750

*Please consult with your accountant*
Ultrasound Coding

- 76881 - Ultrasound, extremity, nonvascular, real-time with image documentation; complete
- ICD-9: 727.61(cuff tear), 726.1(bursitis)
- (Replaced CPT # 76880 as of Jan 2011)
Ultrasound Coding

- 76882 - Ultrasound, extremity, nonvascular, real-time with image documentation; limited, anatomic specific
Ultrasound Coding

• 76942 - Ultrasonic guidance for needle placement (eg, biopsy, aspiration, injection, localization device), imaging supervision and interpretation

• ICD-9: 727.61, 726.10, 726.11 (Ca^{+2})

• 20610 - …injection major joint or bursa (eg, shoulder, knee joint, subacromial bursa)
Ultrasound Coding

EXAMPLES

• Diagnostic exam in the office reveals cuff tear
  • ICD-9: 727.61                  CPT: 76881

• Bilateral diagnostic exams in the office reveal no cuff tears
  • ICD-9: 727.61                  CPT: 76881-50

• Patient with impingement has US guided injection
  • ICD-9: 726.10                  CPT: 76942, 20610

• may need -25 modifier on office visit CPT 99213
Ultrasound Coding

EXAMPLES

• 6 week postop exam in the office (within global period)
  • ICD-9: 727.61       CPT: 76881 or 76882

• Patient with calcium deposit has US guided injection
  • ICD-9: 726.11       CPT: 76942, 20610
    • may need -25 modifier on office visit CPT 99213
Ultrasound Coding

EXAMPLES

• Patient has US exam, no full thickness cuff tear, has bursal injection for impingement syndrome or partial cuff tear
  • ICD-9: 726.10 or 727.61
  • CPT: 76881, 76942, 20610 (bursa inj.)
  • May need -25 modifier on office visit code
Ultrasound Reimbursement

• Requirements for Reimbursement
  • Medically indicated
  • Precert NOT required unless for HMO or maybe work comp
  • Documented exam (pics and/or video)
  • Written report
  • OK within 90 day global
SHOULDER ULTRASONOGRAPHY REPORT


CLINICAL INDICATION:

TECHNIQUE: Static and dynamic techniques were used to obtain multiple coronal, axial, and sagittal sonographic images of the shoulders. The scans were performed using a Sonosite Micromaxx laptop unit with a variable frequency (5.0-10.0 MHz) linear transducer.

FINDINGS:

RIGHT SHOULDER

BICEPS: The long head of the biceps tendon is intact within the bicipital groove with no subluxation/dislocation on dynamic images. No effusion in the bicipital sheath identified.

SUBSCAPULARIS: Intact with normal excursion. No tears identified.

INFRASPINATUS/TERES MINOR: Intact with normal excursion. No tears identified.

SUPRASPINATUS: Overall intact with no increased subacromial/subdeltoid fluid. There is normal excursion of the supraspinatus tendon. No evidence of impingement of the greater tuberosity/distal supraspinatus tendon against the lateral edge of the acromion or coracoacromial arch with abduction of the shoulder.

POSTERIOR LABRUM: Intact with no tears identified.

LEFT SHOULDER

BICEPS: The long head of the biceps tendon is intact within the bicipital groove with no subluxation/dislocation on dynamic images. No effusion in the bicipital sheath identified.

SUBSCAPULARIS: Intact with normal excursion. No tears identified.

INFRASPINATUS/TERES MINOR: Intact with normal excursion. No tears identified.

SUPRASPINATUS: Overall intact with no increased subacromial/subdeltoid fluid. There is normal excursion of the supraspinatus tendon. No evidence of impingement of the greater tuberosity/distal supraspinatus tendon against the lateral edge of the acromion or coracoacromial arch with abduction of the shoulder.

POSTERIOR LABRUM: Intact with no tears identified.

IMPRESSION:

1) Normal Right Shoulder Ultrasound
2) Normal Left Shoulder Ultrasound

Ben DuBois, M.D.
Ultrasound Reimbursement

• 76881 - Medicare (L.A.) allows $136.05
• 76882 - Medicare (L.A.) allows $33.69
• 76942 - Medicare (L.A.) allows $222.03

• 76880 - Work Comp (CA) allows $120
• 76942 - Work Comp (CA) allows $156.25

• “Blended” rate for 76880/1 and 76942 is $130
Ultrasound Reimbursement

Dr. Sonodoc

- Dr. Sonodoc is a shoulder specialist
- Dr. Sonodoc operates 2 days a week
- Dr. Sonodoc has 2.5 days of clinic a week
- Dr. Sonodoc averages 50-60 patient visits/wk

* Dr. Sonodoc still orders 120 in office MRIs/year
Ultrasound Reimbursement

Dr. Sonodoc’s 2010 ultrasound experience

76880 - Diagnostic examination
Billed 200 times in 2010 (16 times/month)

Less than 2 uses per clinic day
(about 10 clinic days per month)
Ultrasound Reimbursement

Dr. Sonodoc’s 2010 ultrasound experience

76880 - Diagnostic examination
Billed $50,000 in 2010 (billed at $250/exam)
Collected $25,000 in 2010
Average collection of $125/exam for 76880 (200 exams)
Ultrasound Reimbursement

Dr. Sonodoc’s 2010 ultrasound experience

76942 - Ultrasound guided needle placement
Billed 200 times in 2010 (16 times/month)
Includes subacromial, glenohumeral, knee, etc

Less than 2 uses per clinic day
(about 10 clinic days per month)
Ultrasound Reimbursement

Dr. Sonodoc’s 2010 ultrasound experience

76942 - Ultrasound guided needle placement
Billed $80,000 in 2010 (billed at $400/exam)
Collected $30,000 in 2010
Average collection of $150/exam for 76942 (200 exams)
Ultrasound Reimbursement

Dr. Sonodoc’s 2010 ultrasound experience

1 year revenue: $25,000 (76880)
$30,000 (76942)

TOTAL FOR 1 YEAR = $55,000

$4583/month
For Dr. Sonodoc the ultrasound machine was paid for in 6 months. After that, $4583/month revenue is generated for 2 diagnostic exams per full clinic day and 2 ultrasound guided injections per full clinic day.

If you cut Dr. Sonodoc’s volume in half, you will still generate an additional $27,500 a year
Ultrasound Payment Choices

• Cash - $35,000
• After tax cost is $22,750

• 175 uses to pay for machine
  • (at an average reimbursement of $130 for all uses in all places)

$130 blended reimbursement rate for 76880/76942
Ultrasound Payment Choices

$35,000 US Machine

• Financed Purchase Or Capital Lease (no deposit)
• $0 down, 36 months, 7% APR.
• $38K Lease amount (8.25% sales tax)
• Monthly Payment $1173
• 9 uses per month to break even

• Financed Purchase Or Capital Lease (no deposit)
• $0 down, 60 months, 7% APR
• Monthly Payment $752
• 6 uses per month to break even

(Assumes $130 blended reimbursement per use)
THANK YOU