AIM Coalition Welcomes Health Affairs Study on Urologist “Self-Referral” of Surgical Pathology Services

Study by Georgetown’s Jean Mitchell says self-referral is increasing billings for prostate biopsy pathology evaluations, but not improving cancer detection

Washington DC – The Alliance for Integrity in Medicare (AIM)—a broad coalition of medical specialty, laboratory, radiation oncology, and medical imaging groups—today applauded publication of a new study which focuses on the practice of self-referral among urologists who conduct prostate biopsy evaluations in their own pathology labs. The study was published in the April 2012 issue of the health policy journal, Health Affairs.

AIM said the study was particularly welcome because it provides independent, peer-reviewed evidence that this self-referral practice—in which urologists use their own pathology labs to test prostate biopsies for cancer—provides no benefits to patients and is only serving to drive up Medicare costs.

The study, by Dr. Jean Mitchell of Georgetown University, found that urologists involved in self-referral arrangements bill Medicare for 72% more specimen evaluations for patients with suspected prostate cancer than urologists who send specimens to independent providers of pathology services. Despite the increased billing, the study found that self-referring urologists usually detect cancer at a much lower rate than do non-self-referring urologists. The per-patient cancer detection rate for self-referring urologists in 2007, according to the study, was 12 percentage points lower than that for non-self-referring urologists.

AIM said it hoped that publication of the study in a respected, peer-reviewed journal like Health Affairs would underscore for policymakers that self-referral is a serious problem that is driving up costs, with no benefit to patients, and that it needs to be addressed.

AIM is urging Congress to revise the physician self-referral law’s in-office ancillary services exception that allows urologists to “self-refer” patients to pathology labs they own directly or in which they have an ownership interest. Other medical services, including advanced diagnostic imaging, physical therapy, and radiation oncology, are also prone to significant abuse through this exception.

The coalition includes the following organizations: The American Clinical Laboratory Association; American College of Radiology; American Physical Therapy Association; American
Society for Clinical Pathology; American Society for Radiation Oncology; Association for Quality Imaging; College of American Pathologists; and Radiology Business Management Association.

ASTRO, one of the coalition’s members, added the following comment: “The American Society for Radiation Oncology (ASTRO) commends the publication of this groundbreaking study exposing the adverse consequences for patients and the health system caused by abuse of physician self-referral,” said Laura I. Thevenot, ASTRO’s Chief Executive Officer. “There is increasing evidence of self-referral leading to similar inappropriate, unnecessary overutilization of radiation therapy services for prostate cancer patients. We look forward to the publication of additional peer-reviewed data in this area and look forward to working with policymakers to close the loophole that leads to this abuse.”

ASCP, another one of the AIM coalition members noted: “The American Society for Clinical Pathology (ASCP) commends Dr. Jean Mitchell on the publication of her seminal research exposing the seriously troubling business of physician self-referral of anatomic pathology services,” said Dr. Bruce Alexander, President of the American Society for Clinical Pathology. “Her study adds to a wealth of evidence illustrating that self referral may result in overutilization of costly medical services.”

Links to the study via:

Health Affairs

American Clinical Laboratory Association

College of American Pathologists’ Self-Referral Resource Center