AMERICAN MEDICAL ASSOCIATION HOUSE OF DELEGATES

Resolution: 229
(I-23)

Introduced by: Organized Medical Staff Section

Subject: Facilitating Appropriate Reimbursement of Diagnostic Radiopharmaceuticals

Referred to: Reference Committee B

Whereas, Through exciting innovations in diagnostic radiopharmaceuticals, doctors are finding new ways to diagnose and monitor conditions such as Alzheimer's, Parkingson's disease, advanced cardiac disease, and cancers of the prostate, breast, and brain; and

Whereas, Medicare's current reimbursement structure limits patient access to innovative imaging tools that improve diagnosis of these deadly diseases; and

Whereas, By reimbursing diagnostic radiopharmaceuticals as "supplies" through a "packaged" payment system, the current Medicare payment methodology creates a significant barrier to patient access to the newer, more precise generation of diagnostic nuclear imaging drugs; and

Whereas, The current reimbursement model reimburses at a rate significantly less the cost of acquiring these important radiopharmaceuticals; and

Whereas, Many hospitals and healthcare clinics, for economic reasons, may need to limit or completely end the utilization of these irreplaceable diagnostic tools due to the loss incurred with each radiopharmaceutical dose order; and

Whereas, To provide the best diagnostic and therapeutic care, hospitals medical staffs are in urgent need of passage of such corrective legislation to best care for their patients; and

Whereas, There are two bicameral bipartisan bills introduced once again this year, namely H.R. 1199 and S. 1544, each entitled "Facilitating Innovative Nuclear Diagnostics Act of 2023" to address fixes for this issue; and

Whereas, These bills would establish separate payment requirements for diagnostic radiopharmaceuticals under the Medicare prospective payment system for hospital outpatient department services; and

Whereas, These bills' requirements apply specifically to diagnostic radiopharmaceuticals that have an average daily cost of $500 or more in 2024 and would be adjusted based on a specified fee schedule factor in each year thereafter; and

Whereas, Passage of these bicameral bipartisan bills would significantly serve to ameliorate the problem of the prohibitive under-reimbursement of these novel diagnostic tools which can otherwise direct the diagnosis and therapy of many debilitating and deadly diseases; therefore be it

Resolved, That our American Medical Association advocate with the congress and with Centers for Medicare and Medicaid Services to change the categorization of diagnostic radiopharmaceuticals by the Hospital Outpatient Prospective Payment System (OPPS) from "supplies" to correctly classify them as "drugs," as would be consistent with the Medicare Modernization Act (MMA) of 2003, and which will allow diagnostic radiopharmaceuticals, similar to other drugs, to similarly be paid separately for costs above the packaging threshold of $140 per-day (Directive to Take Action); and be it further

Resolved, That our AMA advocate for congressional efforts to urgently separate payment requirements for diagnostic radiopharmaceuticals under the Medicare prospective payment system for hospital outpatient department services to apply to diagnostic radiopharmaceuticals that are appropriate for the cost of radiopharmaceuticals and that carry a cost above that applied to them as supplies by Outpatient Prospective Payment System (Directive to Take Action).

Fiscal Note: Moderate – between $5,000 and $10,000

Received: 11/10/23

References:

1. https://www.congress.gov/bill/118th-congress/house-bill/1199

2. https://www.congress.gov/bill/118th-congress/senate-bill/1544?q=%7B%22search%22%3A%5B%22S.+1544%22%5D%7D&s=1&r=1

RELEVANT AMA POLICY

Interference with Practice of Medicine by the Nuclear Regulatory Commission D-455.993

Our AMA will express its opposition to the imminent proposed changes to the Section 10 CFR Part 35.390(b) by the Nuclear Regulatory Commission (NRC) which would weaken the requirements for Authorized Users of Radiopharmaceuticals (AUs), including shortening the training and experience requirements, the use of alternative pathways for AUs, and expanding the use of non-physicians, with AMA advocacy for such opposition during the open comment period ending July 3, 2019.

Citation: Res. 719, A-19

Creation of United Nations "Dr. Saul Hertz Theranostic Nuclear Medicine" International Day D-445.996

Our AMA will advocate and participate with the United States Mission to the United Nations to create and introduce a United Nations General Assembly Resolution for the creation of a new United Nations International Day of recognition, marking March 31 as: "Dr. Saul Hertz Theranostic Nuclear Medicine Day," commemorating the day the first patient was treated with therapeutic radionuclide therapy on that day in 1941, marking the advent of theranostic medicine.

Citation: Res 624, A-22