Why GAO Did This Study

Medicare spending on imaging services, among which are ultrasound procedures that use sound waves to facilitate diagnosis, nearly doubled from 1999 to 2004. The Congress required GAO to examine Medicare’s payment methods for ultrasound procedures and whether the technicians that conduct them—called sonographers—should be subject to qualification standards, such as having to undergo a certification process called credentialing. This report addresses (1) the ultrasound procedures commonly used to diagnose medical conditions of Medicare beneficiaries, particularly for beneficiaries in a skilled nursing facility (SNF), (2) the financial impact of changing how Medicare pays for ultrasound exams and associated equipment and ambulance transportation for beneficiaries in a SNF, and (3) the factors for the Centers for Medicare & Medicaid Services (CMS) to consider in determining whether to establish credentialing or other requirements for sonographers. For this review, GAO analyzed Medicare claims data and conducted interviews and literature reviews.

What GAO Found

Three-fourths of the approximately 41 million ultrasound procedures provided to Medicare beneficiaries in 2005 in any setting were one of two types: (1) echocardiograms to diagnose heart conditions or (2) noninvasive vascular procedures used to monitor blood flow and detect blockage or injury in veins and arteries. Ultrasound procedures consist of the ultrasound exam itself and the physician’s interpretation of the exam. Nearly all of the ultrasound exams provided under Medicare Part B, which covers physician, hospital outpatient, diagnostic testing, and certain other services, were performed in physicians’ offices and hospital outpatient departments. Of these exams, less than 1 percent were conducted in SNFs or homes, generally using ultrasound equipment that was transported to these settings by a mobile provider. Among beneficiaries in SNF stays not covered by Medicare who received ultrasound exams in SNFs, noninvasive vascular exams were the most prevalent type performed.

Two ultrasound procedure payment changes affecting SNF beneficiaries that GAO examined would likely increase expenditures and beneficiary cost sharing. If CMS had paid to transport ultrasound equipment to beneficiaries in SNF stays not covered by Medicare, which is not currently done, Medicare expenditures could have increased by an estimated $9.8 million and beneficiary cost sharing could have been about $2.6 million higher in 2005, assuming the number and location of services would not change in response to this policy. Moreover, paying separately for ultrasound exams and related transportation during beneficiaries’ Medicare-covered SNF stays, as opposed to bundling these and other services into a single daily payment as CMS currently does, could have increased Medicare payments by about $22.0 million and beneficiary cost sharing by about $13.4 million in 2005, assuming no change in service use due to the revised policy. The actual financial impact for Medicare could differ from these estimates if, for example, providers increased their service provision due to these policy changes.

Factors for CMS to consider in determining whether to establish credentialing or other qualification requirements for sonographers include the evidence of the value of setting such requirements and variation in federal requirements for sonographers. The skill of the sonographer conducting an ultrasound is critical for its use to support a physician’s correct diagnosis; poorly captured images can lead to misdiagnoses or unnecessarily repeated exams. Findings from several peer-reviewed studies, the Medicare Payment Advisory Commission, and ultrasound-related professional organizations support requiring that sonographers either have credentials or operate in facilities that are accredited, where specific quality standards apply. In some localities and practice settings, CMS or its contractors have required that sonographers either be credentialed or work in an accredited facility. Medicare’s inconsistent requirements undermine assurance that beneficiaries are receiving high-quality services across the country.

What GAO Recommends

CMS should require sonographers providing Medicare-covered ultrasound exams to either be credentialed or work in an accredited facility. CMS stated that it would consider this recommendation.