

# **CMS Seeks To Reverse Congress' Cut To Gamma Knife Pay**

The Centers for Medicare and Medicaid Services (CMS) is taking steps to reverse a controversial reduction in reimbursement for Cobalt-60 (Gamma Knife) brain cancer radiosurgery as part of a Congressional “physician payment fix” offset wrapped into the January 2013 fiscal cliff deal. CMS proposed coding changes in its recently proposed 2014 Medicare Physician Fee Schedule (MPFS) rule that would restore and increase payments for Elekta's Gamma Knife surgery, while also hiking pay for Varian Medical System's competing linear accelerator (LINAC) treatment.

The fiscal law reduced the reimbursement rates for single sessions of Cobalt-60 stereotactic radiosurgery (SRS) by 58 percent, decreasing payments to \$3,300 from the 2012 level of \$7,910. Reduction to Cobalt-60 SRS reimbursement gleaned \$300 million to help defray the cost of the short-term physician payment patch included in the fiscal deal.

The fee schedule rule proposed by CMS in July would not only reverse the payment cut but also increase the original reimbursement level through updated coding. The result would bring Elekta's Gamma Knife reimbursement to \$8,576. CMS also proposes to reimburse hospitals for multiple sessions of treatment at \$2,500 each. The LINAC device is typically delivered in three to four treatment sessions, while the Gamma device is a one-time treatment, so the end result is generally payment parity between the competitors.

The single-course payment level would also apply to single session treatment for all forms of SRS – Cobalt-60 SRS (Gamma Knife), robotic linear accelerator (LINAC) SRS or non-robotic LINAC SRS – although the LINAC device is normally delivered in multiple sessions.

Although both technologies are used for SRS, the higher cost Gamma Knife claims in marketing to have greater accuracy than LINAC systems, as it was specifically designed for brain tumors while the LINAC system can be used on lesions body-wide. Varian has previously called for payment parity for the two technologies, and various sources hinted that the California company may have been behind the stealth fiscal cliff provision.