



ALLIANCE FOR INTEGRITY IN MEDICARE  
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**JOINT STATEMENT FROM THE ALLIANCE FOR INTEGRITY IN MEDICARE ON THE CONGRESSIONAL BUDGET OFFICE SCORING OF THE IOAS REFORM PROPOSAL PROVISION OF THE PRESIDENT'S FY 2015 BUDGET**

**APRIL 17, 2014**

The Alliance for Integrity in Medicare (AIM), a broad coalition of medical specialty, laboratory, radiation oncology, and medical imaging groups committed to ending the practice of inappropriate physician self-referral, is pleased about the release of the Congressional Budget Office's score of President Obama's FY 2015 Budget, released today.

Specifically, AIM applauds the Congressional Budget Office statement that \$3.4 billion in savings to the Medicare program will be generated by excluding anatomic pathology, advanced diagnostic imaging, physical therapy services, and radiation therapy from the In-Office Ancillary Services (IOAS) exception to the federal self-referral statute- an increase of \$1.6 billion from the FY 2014 score of \$1.8 billion. AIM commends the Administration not only for including IOAS reform for a second year in its budget proposal, but also for adding anatomic pathology services to the proposed list of excluded services in FY 2015. The savings estimate released by CBO for narrowing the IOAS exception definitively validates that unnecessary expenditures by the Medicare program would be reduced, if Congress would enact the President's recommendation.

The ongoing misapplication of the IOAS exception to the aforementioned services continues to be of grave concern to AIM. Furthermore, the Coalition's position has been corroborated by independent evidence, including Government Accountability Office reports and peer reviewed published research, which consistently demonstrates that the existing IOAS physician self-referral loophole results in increased spending, unnecessary utilization of medical services, and potentially compromised patient choice and care, which erodes the integrity of the Medicare program.

AIM remains steadfastly committed to improving patient care and protecting finite Medicare resources, therefore we believe the IOAS reform proposal in the President's FY 2015 Budget is a laudable step towards those ends. Furthermore, AIM strongly urges the 113th Congress to build upon the recommendations of the Administration

and to pass legislation that removes advanced diagnostic imaging, anatomic pathology, radiation therapy, and physical therapy from the IOAS exception, such as H.R. 2914, the *Promoting Integrity in Medicare Act of 2013*. Reforming this policy will ensure that the care Medicare patients receive is the most appropriate to their needs, and not motivated by potential profit from misaligned incentives — a positive for beneficiaries, providers and all Americans.

### **The Alliance for Integrity in Medicare**

*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*

*Radiology Business Management Association*

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*The Alliance for Integrity in Medicare (AIM) is a broad coalition of medical societies committed to ending the practice of inappropriate physician self-referral and focused on improving patient care and preserving valuable Medicare resources. AIM partners include the American Clinical Laboratory Association (ACLA), the American College of Radiology (ACR), the American Physical Therapy Association (APTA), the American Society for Clinical Pathology (ASCP), the American Society for Radiation Oncology (ASTRO), the Association for Quality Imaging (AQI), the College of American Pathologists (CAP) and the Radiology Business Management Association (RBMA). More information is available at [www.aimcoalition.com](http://www.aimcoalition.com).*