Letter to the Editor

To the Editor:
In my recent article, “Dermatopathology in Clinical Practice: Avoiding Abuse of Self-referral and Client Billing” (Cutis. 2013;92:12-14), I stated: “There are no published data documenting increased utilization of pathology services by dermatologists who own pathology laboratories”; this statement is no longer valid. On June 24 the US Government Accountability Office (GAO) published a report titled, “Action Needed to Address Higher Use of Anatomic Pathology Services by Providers Who Self-Refer.”

The GAO analyzed Medicare claims data to compare the utilization of anatomic pathology services among physicians who self-refer and those who do not. Their analysis focused on dermatology, urology, and gastroenterology, the 3 specialties that accounted for 90% of self-referred pathology services in 2010. The GAO found that more referrals for anatomic pathology services were ordered by providers who self-refer. To bolster their analysis, the GAO identified physicians who began to self-refer in 2009 (called switchers) and examined their utilization of services before and after the switch. Among the 130 identified dermatology switchers, there was a 23.8% increase in pathology referrals between 2008 and 2010; similar increases were identified among urology and gastroenterology switchers. The GAO estimated that self-referral added $69 million to Medicare costs in 2010.

Comments from the American Academy of Dermatology Association, which was allowed to comment on the analysis, also are included in the report. The study was imperfect. The number of switchers was relatively small, and the study included no in-depth analysis of individual practices that may have had legitimate reasons to increase their numbers of biopsies. Nevertheless, the results are striking and are consistent among the 3 specialties included in the study.

This GAO analysis was requested by US Senators Max Baucus and Charles E. Grassley, and US Congressmen Henry A. Waxman and Sander Levin. A draft of the report was provided to the US Department of Health and Human Services, which oversees Medicare. We can expect politicians and regulators to take note of these findings. Dermatologists must recognize that self-referral invites scrutiny. Although dermatopathology is integral to the practice of dermatology and the care of patients, we must emphasize high-quality care over revenue and avoid all arrangements that appear to do otherwise.

Sincerely,
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The author reports no conflict of interest.

REFERENCES