



AAAOM Fact Book for H.R. 646 and Lobbying Activities

Why is the AAAOM concerned with Medicare?

A part of the Social Security Act, Medicare is a federally funded U.S. health care program that provides health insurance programs for people over the age of 65 as well as the disabled. Acupuncture is currently not a benefit under Medicare.

More than 45.3 million Americans currently receive Medicare benefits. As the “baby boomers” age and get ready for retirement, the number of people over 65 eligible for Medicare may exceed 20% of our population by 2030. This legislation, H.R.646, is seen as an investment in their health and prosperity.

The AAAOM has identified recognition of acupuncture and Oriental medicine for the past three years as one of the top three important issues facing members of our profession at the Co-Nexus meetings. Recognition of our profession by Medicare situates acupuncturists and Oriental medicine practitioners as federally endorsed members of the professional teams that care for patients. Expanding access to acupuncture and Oriental medicine to millions of Americans also represents a primary growth strategy for the AOM profession.

The history of the Federal Acupuncture Act (H.R.646) dates back to 1993. Congressman Maurice Hinchey (NY) has continuously introduced this legislation into Congress. The bill was reintroduced yet again in the 111th Congress on January 22, 2009, as H.R.646. The bill reads as follows:

H.R.646

Title: *To amend title XVIII of the Social Security Act to provide for coverage of qualified acupuncturist services under part B of the Medicare Program, and to amend title 5, United States Code, to provide for coverage of such services under the Federal Employees Health Benefits Program.*

Sponsor: [Rep Hinchey, Maurice D.](#) [NY-22] (introduced 1/22/2009) [Cosponsors](#) (13)

Latest Major Action: *1/22/2009 Referred to House committee. Status: Referred to the Committee on Energy and Commerce, and, in addition, to the Committees on Ways and Means, and Oversight and Government Reform, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.*

The NGA (National Government Affairs) Committee of the AAAOM has been working diligently with lawmakers, LAc’s, and members of the community to put this bill forefront of policy-maker minds in Washington.

Why should I care about this legislation?

Federal legislation that recognizes AOM's contribution to patient care and expands patient access to acupuncture and Oriental medicine is a necessary and important step toward equity, credibility, and parity for the AOM profession.

This bill will allow access to acupuncture and TCM to a large population of patients. They will thus have the option to spend their health care dollars on acupuncture. Whether acupuncturists choose to participate as providers in the Medicare program or not, patients will have this additional coverage under their insurance, creating a larger patient base and the continued viability of AOM.

How would this affect my practice?

Aside from H.R.646 creating a broader patient base, passage of this bill would increase the average customary and reasonable estimates for acupuncture treatments, and expand reimbursement options for acupuncture patients. In the simplest terms, acupuncture would be accessible to everyone and require less out-of-pocket expense for the patient.

Should acupuncturists choose to participate in Medicare, they will have to become rapidly familiar with the necessary billing and charting standards required by Medicare. Many of these requirements match those insurance and third party reimbursement systems already in place today. More information on this can be found at www.cms.hhs.gov

Isn't billing insurance to Medicare a lot of work?

Insurance billing is a personal and professional choice. Under passage of this bill, Medicare would become an additional provider if acupuncturists chose to accept and contract with it.

Acceptance of any insurance system involves some commitment of resources and time; however, Medicare billing provides a much broader range of opportunity for financial success. Billing agencies are available for those who prefer to outsource this process, thus providing access to this revenue stream without a large investment. Many billers' services are adept at collecting funds that may have been overlooked by the insurance companies.

I have no time to do billing, can I get a biller?

Many billing services exist, and their fees are based on how much they recover for acupuncturists. They require little investment up front.

Most people find that once they transition to a computer-based practice management system, which helps in managing their money, their practice and ability to make strategic business decisions becomes easier and more efficient.

Do I have to accept insurance?

Medicare participation would be optional, as is the acceptance of any insurance program. Acupuncturists still have the freedom to charge the patient at the time of visit and provide a super bill for that patient so they can seek reimbursement.

The chiropractors I know say they wish their payments were only in cash and not Medicare so why should I support this?

What AOM professionals do as acupuncturists and what chiropractors do involve very different techniques, and each is considered a very different kind of medicine. Participation in Medicare is not an easy choice, and every provider should make an informed decision. If an acupuncturist does a proper job of charting, they can transmit claims to insurance online. If an acupuncturist has the business model in which insurance is currently accepted, it should be an easy transition and open up a new market. If acupuncturists want to be part of this transition into the mainstream, there will be multiple opportunities that will become available.

There are many providers who can build very successful geriatric, pain management, arthritis and orthopedic practices with this new demographic available as a direct result of the passage of this bill. The key here is choice, options, recognition, and expansion of the health care delivery system to include AOM.

Why should I donate for this cause? How will my money be spent?

Passage of this bill requires political action at a critical time in our government. Dramatic change is occurring right now, and our new president is dedicated to transforming the health care landscape. Political lobbying power in this environment provides us a voice at the table during these discussions.

As many have seen with the recently passed Economic Stimulus Bill that President Obama has been trying to put into place, this bill will also have to go through the House of Representatives and the Senate. Currently, H.R. 646 has 13 co-sponsors in the House—not nearly enough to get passed. The bill has not been brought to the Senate floor.

The AAAOM NGA Committee is currently pursuing two courses of action to overcome these hurdles. The first is the development of a grass roots advocacy campaign to be implemented nationally and locally (within all states across the nation.) The second is the hiring of a professional lobbyist that has AOM interest regarding this bill on the forefront in Washington. Combined, AOM professionals can see this passage through and have this billed passed and added to the Social Security Act.

By donating to the Acupuncture and Oriental Medicine Political Action Fund ([AOMPAF](#)), acupuncturists are donating not just for Medicare passage, but for legislation that would protect AOM and coursework as L Ac's. The AOMPAF will be allocated for efforts that expand the passage of Acupuncture in Medicare (HR 646), representing the security of AOM profession, insurance parity for all states, licensure of remaining states, and lobbying to become a part of universal healthcare as it moves forward.

If we do not have the resources to address these items we will slowly see the credentials and power that AOM professionals currently have fade away.

What will this do for my practice if I already accept insurance?

Practitioners who already accept insurance are ahead of the game and will be well-positioned and ready to access this new revenue stream. AOM professionals must become better at charting and must elevate standards to become compliant with those that the Center for Medicare and Medicaid (CMS) requires of a physician. If acupuncturists currently accept insurance, acupuncturists will have to register as a CMS provider, obtain a Medicare number, and begin sending in claims.

None of my patients are seniors, so I don't see how this will affect me.

Medicare is the baseline from which all other insurance plans and third party reimbursement systems take their cues. This will provide a federally endorsed national recognition of AOM. This will provide acupuncturists with more patients and better chances at referrals from physicians as AOM professionals expand our influence in the medical community.

Inclusion in Medicare opens the doors to access for benefits plans based on what Medicare covers. Plans under large insurers such as Blue Cross/Blue Shield (BCBS), United, Aetna, Cigna etc. would then need to reimburse for acupuncture services because of Medicare. Other plans, called Medicare supplements, would also have to reimburse for services. Note that seniors are not the only people covered by Medicare; those who are disabled due to certain diseases or conditions are also Medicare beneficiaries. AOM professionals provide critical access to non-medication pain management.

If we succeed in Medicare covering acupuncture, as a practitioner, do I have to accept Medicare patients?

Participation in Medicare is voluntary, and acupuncture patients who are eligible for Medicare will be able to access reimbursement if acupuncturists provide them with a super bill. However, if acupuncturists become Medicare assigned providers, there are certain rules acupuncturists must accept. These rules include accepting what Medicare charges as for acupuncture codes rates combined with that of the supplemental insurance.

Will the fee schedule for payments under Medicare impact the reimbursement rates of other insurance providers?

Yes. The amount Medicare deems customary and reasonable is published and can be calculated easily. This amount has already influenced many insurance companies' reimbursement levels as they rely on the studies that CMS conducts to calculate their levels of customary and reasonable. In some cases, when Medicare does not cover a service such as acupuncture, the CMS minimum levels are ignored, and insurance companies internally decide what is reasonable and customary.

Medicare reimbursement rates for acupuncture have not yet been decided and will not be determined until the bill is passed. Upon passage of this bill, Medicare will develop a fee for service schedule. Medicare providers will be obligated to follow that schedule.

What are the perceived benefits of having acupuncture reimbursed by Medicare?

Benefits include access to a larger target market and national recognition as a member of a treatment team of medical professionals. It will increase access and coverage by other third party insurance plans that rely on what Medicare covers as a requirement for payment and will propel the AOM profession forward during this transitional time in health care.

Should this bill not get passed through congress this time, AOM may never again encounter the favorable government climate for inclusion that it does now. AOM professionals have seen how many times this has been put before congressional leaders, and each time it has failed. Now is the time to act, as this time may not come again.

Based on the current Medicare system, what would be the detriments of having acupuncture in Medicare?

The infrastructure needed to support billing and participation inside the Medicare system can be difficult, and AOM professionals would have to get up to speed with charting and patient notes process. Electronic transmission of claims is a baseline requirement for Medicare as is usage of the appropriate ICD-9 codes for diagnosis. This may represent a learning curve for some; however, these practices will become commonplace soon as the national incentives for electronic medical records are passed in the stimulus packages.

If we do not act, MDs and chiropractors will work to pass **their own version** of this kind of bill for the AOM community, gaining their own access to Medicare as a vital new market for acupuncture. We will lose access to this large and growing portion of the population.

Would cupping, moxibustion, and tui nua be covered under Medicare?

Not at this time. These would be seen as modalities and be billed as such.

I would like to help the AAAOM and NGA, and I have more questions. Whom do I contact?

You can email info@aaaomonline.org, and your inquiry will be directed to the proper personnel.

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