

# 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"<sup>1</sup>; this statement is no longer valid.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."<sup>2</sup>

The GAO analyzed Medicare claims data to compare the utilization of anatomic pathology services among physicians who self-refer and those who do not.<sup>2</sup> 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.<sup>2</sup>

Comments from the American Academy of Dermatology Association, which was allowed to comment on the analysis, also are included in the report.<sup>2</sup> 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.<sup>2</sup> 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

1. Bennett DD. Dermatopathology in clinical practice: avoiding abuse of self-referral and client billing. *Cutis*. 2013;92:12-14.
2. United States Government Accountability Office. Action needed to address higher use of anatomic pathology services by providers who self-refer (GAO-13-445). <http://www.gao.gov/assets/660/655442.pdf>. Published June 24, 2013. Accessed August 26, 2013.