



Healthcare laws and healthcare news seem to be the center of attention these days. Since you last heard from us, all is ***not*** quiet on the Western Front. Though we have not pounded our chests, Private Practice Doctors is actively trying to help you, the private practice physician. We have been on radio and the web

(<http://www.reedwilson.com/images/DrReedWilsonFullInterview.mp3>), working on your behalf to protect the private practice of medicine. We have become involved in legislative efforts and are about to hold a networking event. In this letter you will find 4 key items:

1. An update on Obamacare
2. An update on the California Legislature Bill to Override Stark Exemptions
3. An update on the California Initiative to overturn MICRA
4. Information on a networking event for all private practice MDs

Update on Obamacare

Obamacare is a heavily politicized issue but I believe that we can delve into the numbers and figure out the truth. The administration announced that there were 7.1 million sign-ups at the end of March. In all honesty, this appears to be a false flag. When analyzing the number of sign-ups, three groups should be kept in mind:

- Those who have signed up for care (whether premiums have been paid or not)
- Those who are actually insured under the ACA (premiums have been paid)
- Those who were previously uninsured and are now insured under the ACA

As of mid-March 2014, 3.9 million individuals had signed up for care. According to the RAND Corporation, only 1/3 of these were previously uninsured or 1.4 million people. A generous assumption is that 80% of all individuals who sign-up actually pay their first premium. This is means that 1.1 million or 28% of the individualized signed-up will come from the uninsured population. This number is consistent with that reported by McKinsey and Company which previously estimated that 27% of those signing up were previously insured. This percentage is probably the same for those signing up after mid-March, as well.

Why are these numbers important? For the very reason that this was not how it was supposed to be. The Congressional Budget Office originally assumed that ***most*** of the individuals would come from the uninsured population. Instead, the exact opposite occurred.

What is even more important is that under the best case scenario, assuming the very high 7.1 million estimate is spot on, only 2 million uninsured have signed up. It was estimated that 47 million people were uninsured in 2013. Therefore, we have totally overthrown our healthcare system to supply insurance to 4% of the uninsured; 96% of the uninsured individuals are in the same place they were prior to the ACA being passed. We ended the individual private insurance of up to 12 million individuals so that we could have a failure rate of 96%. Untold billions have been spent to reap this “windfall”.

For the private practice physician, this does not even begin to explain the actual mechanics of Obamacare. In order for this system to work, physicians must provide care to individuals with this new type of insurance; otherwise it is like having an ATM card without an ATM machine. As you know from personal experience, huge numbers of doctors are not accepting Obamacare patients. This is not a local phenomenon - it is happening all across the country. This has caused tremendous frustrations for patients and physicians. Roughly 45.7% of physicians currently accept Medicaid. The pool of physicians who were accepting Medicaid and the pool of physicians who are taking its new incarnation will be approximately the same. Given the minimal reimbursement rates of the ACA plans, one can only wonder at the wait times and the level of care being provided. My staff and I have already received angry responses when individuals with an ACA plan are apprised that we do not accept this insurance.

There is so much more to talk about, such as the low youth “invincible” enrollment, the projected double digit premium increases and the denial of care. But these topics will be points for future newsletters. If you are interested in learning more, I encourage you to renew your membership in PPD.

Override Stark Exemptions

Senator Ed Hernandez (D), a state senator in Sacramento and optometrist, is bringing forward a bill in the California Senate to remove the in-office exception (IOE) for advanced imaging and radiation oncology from the state’s self-referral regulations. In addition, SB 1215 would prohibit physicians in the state of California from self-referring for anatomic pathology and physical therapy services. As all of us who see patients in our office know, certain ancillary referrals within a group practice promote continuity of care in a setting that lowers costs and is more convenient to the patient. Ancillary services are essential tools used on a daily basis by physician practices seeking to provide comprehensive patient-centered services.

Both the United States Government Accountability Office and the Medicare Payment Advisory Commission (MedPAC) have examined this issue in depth and neither has recommended restricting in-office ancillary services such as anatomic pathology. Indeed, in its June 2011 Report to Congress, MedPAC recommended against limiting the Stark law exception for ancillary services, citing potential "unintended consequences, such as inhibiting the development of organizations that integrate and coordinate care within a physician practice."

This limitation will adversely affect many of our colleagues' ability to practice quality medicine. This legislation is currently winding its way through the legislature and has an outstanding chance of clearing hurdle number one by making it out of the first committee. On April 8, at the invitation of Arnold Cinman, MD, we sat in on a conference call to discuss a plan of attack against this legislation. I urge you to contact the California Integrated Physician Practice Coalition—a lobbying coalition representing the voices of 180 physicians in nine medical practices specializing in the fields of orthopedic surgery, gastroenterology and urology who have already started fighting this bill. Contact Arnold Cinman, MD at liqdgld@yahoo.com for further details. If you support efforts like this, please continue your association with PPD. We are one of the few organizations representing the private physician.

MICRA Ballot Initiative

Yes, the trial attorneys are at it again. For those of you unfamiliar with MICRA, it was a historic tort reform passed in 1975 that helped keep malpractice premiums in check and allowed Californians affordable health care. Currently, injured patients can sue for unlimited punitive damages and recover up to \$250,000 in non-economic damages. In addition, MICRA includes a sliding pay scale, which ensures that more money goes to patients, not lawyers.

On March 24, 2014, the trial lawyers submitted signatures to qualify a MICRA initiative for the November ballot. The signature gatherers are framing the initiative as an effort to ensure patient safety through mandatory drug testing of physicians, largely ignoring the deceptive provisions that would see MICRA gutted of its historic reforms and patient protections. Honestly, the real reason for the initiative is to rollback MICRA by more than quadrupling the current cap, with more increases for the foreseeable future.

A broad coalition opposes the proposed ballot measure that would make it easier and more profitable for lawyers to sue doctors, clinics and hospitals. Unless defeated, the measure will be costly for consumers and taxpayers, and would reduce access to care for patients.

PPD would like to help in the effort to defeat this measure, but we simply don't have the resources to do it. If you are interested in allowing us to move forward in this area, please continue your support for PPD.

Meet-Up

On Tuesday April 29, we will have a networking event. No sponsors, just a good old fashioned meet and greet. Each of us will pay our own way for beverages and appetizers. We expect a great turnout so bring a medical friend and enjoy a little camaraderie. This event is open to PPD members and non-PPD members.

4/29/14: 6:00 PM Newsroom Café, 120 N Robertson Blvd, Los Angeles, CA 90048 Phone :(310) 652-4444

Summary

As you can see, Private Practice Doctors is acting on your behalf for cost savings, political action and networking. We could really use your support. Don't stand on the sidelines and let events determine your livelihood without your input. Have a say in your future. Join today.

Thank you.

Reed Wilson

If you think our efforts and this newsletter are worthwhile, write me at:

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