May 29, 2014

Throwing out the baby with the bathwater – more tax money being handed out

The LA Times is reporting that the administration is again changing the healthcare law without congressional approval. Billions of dollars of taxpayer money is being made available to insurance companies who lose money providing care through the ACA.

Administration officials have long been denying that they plan to bail out insurance companies….oops. The administration says that most insurers don't need to SUBSTANTIALLY increase premiums. I guess that depends on the meaning of the word substantially. So, in other words, if the government convinces the insurance companies to falsely keep rates low, the government (me and you) will cover the shortfall. It should be noted that insurance companies in several states have been "eyeing significant rate increases for next year amid concerns that their new customers are older and sicker than anticipated."

Unmeaningful Use – Stage 2

Evidently Meaningful Use Stage 2 (MU2) is a real problem. Nationally, only **50** eligible professions and only **4** facilities have attested, ouch! The problem is EMR vendors have struggled to obtain certification. As a result, providers who use those systems can't obtain MU2. Word on the street "is that physicians and hospitals will have until 2016 to do MU2 and 2017 for MU3". Expect more delays!

For your education, Stage 2 includes more rigorous requirements for physicians to connect to laboratories and record orders. For those of you who have met Stage 1 requirements, you will recall that you had to complete five 'menu measures' out of a set of 10, one of which is receiving 40% of lab results electronically. Now things become much more stringent, costly and much, much more difficult. Stage 2 makes the electronic lab measure required and raises the threshold to 55% of lab results. What does this mean? You either need to find a way to connect electronically to receive your laboratory results in structured data form, or lose out on thousands of dollars in incentives.

Oh, but that's not all. In addition, you are required to use CPOE (computerized physician order entry) to record lab orders.

This is not small potatoes, if you do not follow through on all these electronic connections, it could mean the difference between earning thousands in incentives and losing between 1% to 5% in penalties over the coming years. You might ask yourselves, who is going to pay for all this connectivity? Need you ask?

And more…Your EHR is going to have to be interoperable with other EHRs. The meaningful use program has been structured such that each stage calls for physicians to meet an increasing number of requirements and data exchange. "This requires expensive, customized EHR interfaces so physicians can connect with other systems." These are IT issues that are outside of your control, but not outside your pocketbook. At this point you probably just can't wait for MU3, so I will move on.

In case your were wondering, a formal study published in the April 2014 issue of JAMA Internal Medicine reveals there's no correlation between quality of care and meaningful use adherence.

Minority Physicians maybe the worst hit by Obamacare

I read an interesting article, and I encourage you to read it as well: (click here to read). According to "Pay for Performance," Medicare payments can be withheld or adjusted for low patient satisfaction scores. As some of you may realize, this is already causing some administrators to pressure doctors to order certain tests and not others in the hope of bumping up satisfaction scores. But throw the factor of race into the mix and you really could go insane. Numerous studies show that patients are more satisfied with doctors of the same race. Don't blame me, I just report the facts. To quote this article, black patients with black doctors were 140% more likely to rate their physician as excellent than if they had a doctor of another race. White patients with white doctors were 63% more likely to say they felt their doctor listened well. Hispanic patients with Hispanic physicians were 74% more likely to feel satisfied overall with their care.

This has huge implications. "A hard-working doctor (of any race) has rendered careful, considerate care to a complicated patient. Yet a relative who gets the patient satisfaction form in the mail who might be pissed off at, say, the hospital parking fees—or maybe doesn't like the color of the doctor's skin—will determine how well the doctor gets paid, or even if he keeps his job." This is okay with the government and Obamacare promotes this behavior. It is simply not right!

In hospitals serving minority populations—if black patients are more than twice as likely to think a black doctor is excellent—it would not make any sense to hire white doctors at all. And hospitals serving whites may not want to hire minority physicians. Can someone please scream government sponsored ***segregation***?

The VA of our future

What do you call a system that is overloaded, in which federal mandates have required that patients be seen within a fixed amount of time, has an advanced EMR to improve quality and efficiency, and has mostly salaried physicians? Answer – A failure. The other answer is dependent on the time frame in which you look at it. If you are looking today, there are two answers, the Veteran's administration and The British Health Service. If you look just a few years down the road the answer is Obamacare. The VA has had numerous mandates about timeliness of patient visits including the 1996 Congressional mandate that all veteran patients be seen within 30 days. The VA has been touted to have one of the best EMR systems for medical services. But as we are finding out the law meant nothing, nor did the EMR because the bureaucrats gamed the electronic system to hide the waiting list. This resulted in the deaths of our veterans! The VA and the BHS are administrative heavy and Obamacare will follow suit. Bureaucracy and budgets expand, there are more regulations with which to comply, there is no competition, and the mandate is passed off as someone else's responsibility. Check boxes and you are rewarded, actually taking care of patients is secondary.

Yes, America we have the unique opportunity to see the results of Obamacare before it is fully implemented. Check this box if you like what you see.

A new ruling, yet again!

You and most Americans probably weren't following the news over the holiday weekend. Perfect time to release a new rule. In case you didn't hear, the new rule was reported by the NY Times (buried on page 12). As we discussed in our last newsletter, many employers found the new Obamacare rules and rates so onerous that they were willing to pay the fine and have their employees go onto the exchange and give them a tax-free contribution of cash to help pay for premiums. Not so fast there spunky. Such arrangements do not satisfy the health care law said the Obama administration and employers may be subject to a tax penalty of $100/day or $36,500 per year for each employee who goes into the marketplace. Oh, by the way, this is the 42nd unilateral administrative action, undertaken by the White House.

Aside from the obvious punishment of helping workers, companies for years before Obamacare have been helping employees by reimbursing them for insurance premiums and out of pocket costs. This ruling eliminates this decades old practice as well as punishing employers who wish to help their employees in the new system. What happened to "First Do No Harm?"

Poor suffering under Obamacare

Reports are coming in that we are experiencing a disquieting consequence of Obamacare. Hospital systems around the country have started scaling back financial assistance for lower- and middle-income people without health insurance, hoping to push them into signing up for coverage through the new online marketplaces created under the Affordable Care Act. Why is this a problem? Advocates for the uninsured say rising fees will lead to skipped care rather than the purchase of unaffordable insurance. Don't blame the hospitals for this one, charity care costs are rising and the new law reduces federal aid to hospitals that treat large numbers of poor and uninsured people.

Can't say you weren't warned

In a recent newsletter we warned you that the malpractice attorneys were at it again, trying to overturn the limits on pain and suffering that has allowed malpractice rates to remain reasonable in California. We explained to you they were hiding this repeal in a drug testing for physicians bill. The warnings have now turned to fact. The anti-MICRA ballot measure, titled "Drug and Alcohol Testing of Doctors. Medical Negligence Lawsuits. Initiative Statute" has now officially qualified for the November 2014 ballot. What will you do? Help, us enter the battle with your time and your enrollment.

The hits keep coming

We realize this newsletter comes quickly on the heels of the last one. But there is so much going on that we felt you needed to know. If you want PPD to be able to fight on your behalf, if you want to help your practice save money and if you find these letters useful, please join Private Practice Doctors by contacting me at reed.wilson@privatepracticedoctors.com.

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