
I am from the government and I am here to help

You may not know it yet, but a governmental tsunami is approaching; there is no early warning system. ***Its intent is to wipe out private practice*** and I would venture to say that most of us are totally unaware of it. MACRA/HR 2 was passed into law and your world will never be the same. If you do nothing else, either read about this on your own or simply read this summary and tear out your remaining hair.



- ✓ Are you a private practice physician?
- ✓ Do you take Medicare?

If you answered yes, you must read the following. If you answered no, just smile and get down on your knees and say thank you.

For those of us who answered yes, we are in major league trouble. As usual, bureaucrats hide behind acronyms so here is a quick hit list for you of the acronyms used in the rest of this summary:

- **ABIM – American Board of Internal Medicine**
- **ACO – Accountable Care Organization**
- **APM – Alternative Payment Model**
- **HR2 – Congress’s Name for Medicare Access and Children’s Health Insurance Program Reauthorization Act**
- **MIPS – Merit-Based Incentive Payment System**
- **MACRA - Medicare Access and CHIP Reauthorization Act** **MIPS- Merit Based Incentive System**
- **SGR – Sustainable Growth Rate**

- PCMH – Patient Centered Medical Home
- WAS – We Are Screwed

Did you know that in 2019 all Medicare doctors will be required to participate in the MIPS (Merit-Based Incentive Payment System) or an APM (alternative payment model)? I thought you didn't. You have **no choice!** You will need to make a choice between these two lovely systems in order to receive Medicare reimbursement for your services.



If you choose to participate in MIPS, your reimbursement will be adjusted up or down based on performance measures in 4 weighted categories of quality, resource use, meaningful use of electronic health records, and clinical improvement. In fact, you are going to be graded on a score of 1-100 depending on how well you check your boxes on your computer. Your pay will increase or decrease by the following amounts depending on your score:

- plus/minus 4% in 2019;
- plus/minus 5% in 2020;
- plus/minus 7% in 2021; and
- plus/minus 9% starting in 2022 (1)

I see by the look on your face that you don't like that very much. In fact, you look downright angry.



So let's look at the other option - the APM. To qualify for APM, you need to be an ACO, PCMH or use condition-specific bundled payments. According to legislation, your practice needs to accept financial risk for the quality and effectiveness of care. If you decide to go this route you are at direct financial risk and may have to re-pay Medicare if you don't meet the savings targets established by the government. Mmmm, I see you are still not happy.



OK, let's review the government projections of this effect:

Of the 761,343 eligible clinicians, 45.5% will be penalized. Maybe you think you will be on the good side of the line. No, no no, think again.

- 87% of solo practitioners are estimated to face penalties
- 70% of 2-9 member groups will face penalties
- 18% of >100 member groups will fact penalties

Do I hear you say something about fairness? I thought I did. Who said anything about fairness? Why is all this happening? Well we need to start with a little history lesson.

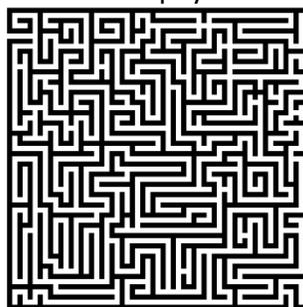


Let's go back a little to 1997. At that time, the SGR was introduced to help control Medicare spending. It required that the per-beneficiary spending in Medicare grow no faster than the economy as a whole. In other words, if Medicare spending increased faster than the GDP in one year, physician payments would be cut by that amount the following year. In 2003, this was changed to a 10-year average GDP instead of a single year. The end result was that physicians' fees were supposed to be cut by a pretty hefty figure for many years. Because doctors cannot work for free and if the cuts were too deep and doctors might rebel, Congress put off these pay cuts for several years. As a result, we have seen about 17 delays in pay cuts or "doc fixes" as they have been come to be called. As each year has passed, the amount of the cut has additively risen making it unfeasible to implement without most doctors leaving the plan. I am sure you know what your reaction would have been had a more than 20% pay cut been implemented if the SGR was brought into effect.



So this game of cutting reimbursements and the yearly "doc fix" became old and a burden to your hardworking congress people. Congress, in their infinite wisdom and along bipartisan lines, decided to fix it permanently, making it worse...a lot worse.

First, they decided to replace the SGR. In the first phase, they used the Stalinist approach of price fixing, allowing payments to physicians participating in fee-for-service Medicare to increase 0.5% per year for just a few years. After that, Congress in their infinite medical wisdom, decided that physician fee-for-service payments will be replaced by a new system that



honors "quality and outcomes". The same entity that could not figure out how to run a fee for service model is now going to determine physician rewards in an infinitely more complex system that pays on the basis of "quality and outcomes".

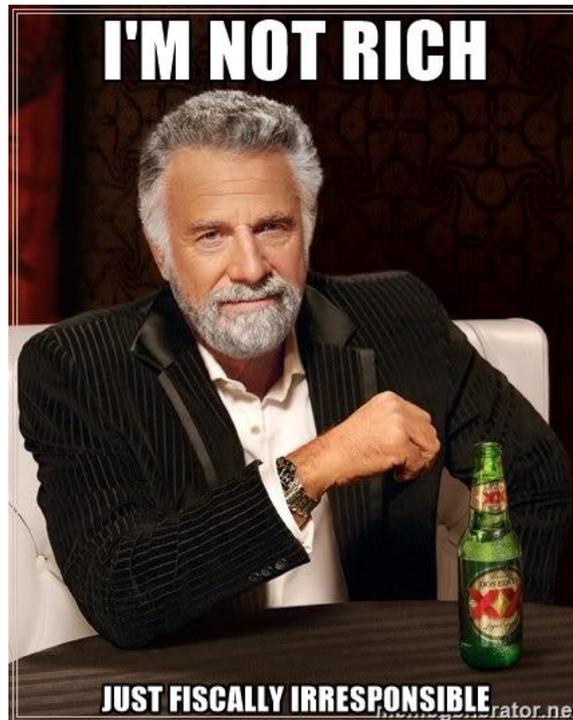
Not only are they forcing us to use a labyrinthine, complex reimbursement system that we don't want, they are instituting a system that has a high likelihood of penalizing us for our efforts. You have just got to be kidding, right? You can't make this stuff up!



But wait, there is more.

Did you know that the American Board of Internal Medicine, which is in the midst of dealing with a doctor revolt against their corrupt credentialing practices, has their hands in the pie? *"Among its provisions is one where doctors would qualify for a new incentive pay system in Medicare by meeting quality standards established by the government in consultation with certification boards like ABIM"*(2). Yep, that is the same ABIM that is needlessly causing the loss of countless of your dollars to re-credential you without any documented benefit, causing an open rebellion by its members.

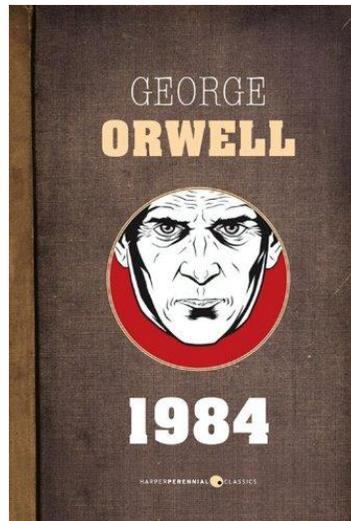
Did you know that the bill does nothing to help the deficit? In fact, it increases it by billions, make that at least \$145 billion to be more specific. But remember, the physician will see less, lots less, and will be penalized to boot. Don't you just wonder where those extra dollars go? As one analyst so cogently sums this up... *"Basically, it's this: If you are going to be totally fiscally irresponsible, this is the way to do it."*(3)



Did you know that your “compliance score” is tied to your “resource use”? So in order for you to not be penalized, you will need to order tests according to government standards, not according to the best interests of your patient. In fact, your reimbursements will be directly tied to your not using resources you may feel are indicated. What happens if you order a mammogram on a patient who is less than 50? What happens if you order a PSA on anyone? What happens if you wish to take family history of heart disease into account when deciding to treat with statins? The bean counters in Washington will penalize you for quality medicine.



Did you know your reimbursement depends on if a patient follows your advice? Remember, we are turning away from traditional fee-for-service. Instead, we are paying based on outcomes. Therefore, even if you give the patient the correct advice, the patient may not follow it. Yet you are responsible for the outcome because you are the provider of the service. I cannot tell you how many patients I suggest cholesterol meds to who decline to take them. Am I to be penalized if I don't write the refused prescription? Am I to be penalized for the occurrence of heart disease in a non-compliant patient? Am I supposed to make sure they take their pills daily? Welcome to 1984.



As a result, doctors' acceptance of patients will change. Who is going to keep non-compliant patients in their practice in order to continue receiving Medicare payments? Due to the time and forms necessary to fill out, who will keep a complex patient on their roster? Who will take care of our Medicare age patients? It is estimated that there are 8,000 individuals turn 65 each day.



So, to be blunt, we will now ask board certified physicians who have spent years in training and who provide services to our most complicated patient population to undergo extensive,

useless, time consuming and politically correct documentation in order to have an 87% chance of penalty for doing so. If this sounds like a recipe for disaster you are absolutely correct.

It is truly sad that the hallmark of American medicine, the doctor-patient relationship, has so casually been tossed aside. These incessant step-by-step attacks on our healthcare system are specifically designed to gradually:

- Force all private practice physicians to join large groups
- Force all physicians to practice population-based algorithmic medicine
- Allow the gradual replacement of the “expensive physician” with the less expensive alternative nurse practitioner and physician’s assistant.
- Bring the level of quality for all down to a common low denominator under the guise of “evidence-based” medicine
- Move to a single provider of healthcare

What can you do? Take the time to learn what is happening medically in the political, legal and business worlds. Take the time to understand the medical milieu that is surrounding you. You also need to educate your fellow physicians as to what the future will bring. They probably don’t know! Just by reading this letter you know more than 95% of your colleagues. Finally, I implore you to join us. Yes, we save you money on all your medical purchases, credit card transactions and insurance products. But this is the time we must stand together. Getting this information out to all private practice doctors is not easy. I have a myriad of contacts. But we need more, many more. We have limited funds, if we are going to get the word out, we need many more members. We need your time and effort. Please join the cause, before there is nothing left to defend.

Write me at reed.wilson@privatepracticedoctors.com . Volunteer your time, become a member, ask your colleagues to join. This is a clarion call before it is too late!

1. <http://www.beckersspine.com/orthopedic-spine-practices-improving-profits/item/31245-http-www-medscape-com-viewarticle-862642-vp-2.html>
2. [http://www.aapsonline.org/index.php/site/article/h.r. 2 boosts obamacare moc tell senate to vote no/](http://www.aapsonline.org/index.php/site/article/h.r.2_boosts_obamacare_moc_tell_senate_to_vote_no/)
3. <http://www.nationalreview.com/article/416022/sgr-fix-will-bust-budget-michael-f-cannon>

