

## *A Crystal Ball: Look Into The Future Of Healthcare*



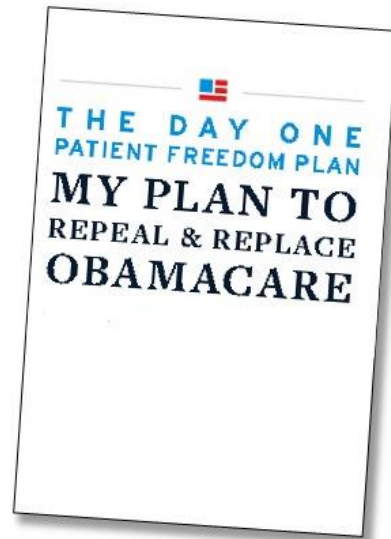
Whether you are a Republican or Democrat, as a physician you can at least be hopeful with a physician finally heading up the Department of Health and Human Services. For once, we will have someone who is very aware of burdensome regulations placed on physicians, onerous reporting that detracts from patient care, and unexplained random shifts to “value-based” payments that very well may end the private practice of medicine.

For a change, we will have someone who is very familiar with CMS (Centers for Medicare and Medicaid Services) rather than a bureaucrat relying on academics and politicians. Dr. Tom Price, who was nominated to become Secretary of HHS practiced orthopedics for 20 years before returning to Emory as an assistant professor of orthopedics and director of orthopedics at Grady Medical Center. In 2004, he won election to the house of Representatives for Georgia and has represented a district in that state since. He put forth proposals to replace Obamacare. He chaired the House Budget Committee. Therefore, we have someone who has practiced medicine on a private and university level and has been actively involved in healthcare legislation for his entire tenure in the House of Representatives and understands financial and budgetary matters. Man, this sounds great! A physician who has cared for patients is actually heading up the health department. What a novel concept!

Dr. Price is not someone who needs to “get up to speed” on the crises facing patients and physicians. He values the doctor patient relationship. When

discussing the MACRA and the Value Based Payment fiasco he made the following statement, "We are deeply concerned about how this rule could affect the patient-doctor relationship, and I look forward to carefully reviewing it." This is exactly what we, at PPD have been saying.

So what exactly does Dr. Price have planned? If past is prelude to the future, here are some things we can expect.



Remember how we were promised tort reform with the ACA but physicians were left to hang out to dry? Dr. Price has three different federal tort reforms.

- A three-year window on filing malpractice lawsuits
- A national \$250,000 cap on non-economic damages
- Administrative healthcare tribunals to review lawsuits before they go to court

I think we can all agree that these are practical solutions and should drive the malpractice lawyers to have a nervous breakdown. But this is just the beginning. Dr. Price has additional features in his plan that all of us will find as welcome relief. Instead of being treated as pariahs, physicians will be treated as partners in the healthcare arena. Dr. Price is proposing to:

- Remove restrictions that have prevented physicians from raising their charges

- Allow physicians to balance bill Medicare beneficiaries, therefore no more “limiting charges”
- Allow physicians to join together and negotiate with insurers without violating federal anti-trust laws

Wait, you mean that physicians will be able to act just like other professionals. You mean that we could actually participate in the workplace just like attorneys and accountants. Oh my! My knees are shaking!



## SHAKINESS

No matter your political persuasion, I don't think these suggestions are far off the common sense Richter scale. But there is more. I have written previously about the absurdity of MACRA, the new payment system. If you don't remember, here is a brief synopsis

Over the last few years the government has been placing more and more regulations and mandates on physicians. You are familiar with Meaningful Use (MU) frequently called unmeaningful use and Physician Quality Reporting System (PQRS)TUVWXYZ. These were “optional” and meant as inducements for

physicians to receive bonuses. No more! Now if you don't participate, you will be penalized on the patients you help and treat.

Beginning in 2019, all Medicare doctors are to be required to participate in MIPS (Merit-Based Incentive Payment System) or an APM (Alternative Payment



Model). You know what those are don't you?.....oh, you don't. That doesn't matter, you have to participate anyway. You must be a MIPS doctor or an APM doctor. If you choose to be a MIPS doctor, your reimbursements will be adjusted up or down based on performance measures in 4 weighted categories of quality, resource use, meaningful use of EHR, and clinical improvement. Whoopeeee! You are going to be graded on a score of 1-100 depending on how well you check boxes on your computer. Remember, if the patient dies and you check your boxes, you are a good physician.

Depending on your box checking skills your pay will increase or decrease as follows

- Plus/minus 4% in 2019
- Plus/minus 5% in 2020
- Plus/minus 7% in 2021
- Plus/minus 9% in 2022

Now let's practice. Do you see the box to the right?  Please practice placing a check in the box. Don't you feel like a good doctor now?

But all is not lost, you could ask to be an APM doctor. Oh, did I tell you need to know your acronyms. In order to be an APM, you need to be an ACO, PCMH or use CSBR (Accountable Care Organization, Patient Centered Medical Home, Condition-Specific Bundled Payments). I think this is TRAI (totally ridiculous and incomprehensible). If you are an APM doctor, you will need to take financial risk for quality and effectiveness of care. You may have to repay Medicare if you don't meet the savings targets established by...the government. It is estimated that almost one half of all physicians will be penalized and 87% of solo practitioners will be on the losing end. Have a small group, 70% of you will be losers.

This is just the very briefest of outlines. This is what has been foisted on us by the people who know best how to take care of patients, the government. Dr. Price understands this and has been criticizing CMS and its implementation in Congress. In fact, in his critique Dr. Price wrote, "Physicians need to be able to focus on doing what they do best: caring for patients.... If physicians are consumed with administrative burdens under the new reporting requirements, this may ultimately threaten the doctor-patient relationship." I literally can't believe he said this. This is exactly what all of us have been saying for years. This has been the message of PPD. Yet it took until 2017 and the appointment of a physician to head the Department of HHS for sanity to return to our lives. What is more astounding is that common sense now sounds amazing. Therefore, we are instituting a brand new symbol for our approval of sound policy with this edition of the PPD newsletter and here it is...



I don't want to detract from all that I have just outlined, but please be aware that you cannot just snap your fingers and make all the bureaucracy and rules go away overnight. Big rule changes are going to take months to complete. But I believe change they will. Several individuals familiar with Dr. Price's appointment believe he will stop the CMS move into value-based payments and return to fee-for-service. Even more importantly, if we move to a performance based system, Dr. Price believes that physicians groups should be involved. I know it seems hard to believe, but it appears someone is going to ask physicians for their input.

Remember much of this must get through Congress and there is no super-majority. How the filibuster is handled by Republicans will tell us much about the rapidity of any changes. An advantage that Dr. Price has is that he has been a long-standing member of Congress and knows the levers to pull to get this process done.

The bill that Dr. Price is proposing is called the Empowering Patients First Act. You will start hearing more about this in the days and weeks to come. Here are the bullet points to remember

- Obamacare is done, kaput, including the exchanges, individual mandates and subsidies. Instead there will be fixed tax credits – pegged to a person's age rather than their income -- so that insurance policies can be bought in the private market.



- Persons with pre-existing and/or chronic medical conditions cannot be denied insurance provided that the individual had at least 18 months of continuous coverage. This caveat is designed to prevent people from

obtaining coverage during an illness and then dropping the policy after recovering.



- Expanded use of HSA (health savings accounts) to enable people to save pre-tax dollars to pay for future health care needs. This would also allow individuals with Medicare to contribute money to help cover premiums and copays.



- Grants will be provided to states to insure “high risk” populations; this will help off-set catastrophic healthcare costs.
- Limit employer tax exclusion for providing health insurance to \$8,000 dollars for individuals and \$20,000 for families



- Allow health insurers licensed to sell policies in one state to offer them to residents in other states.



- Eliminate Obamacare-style mandates that required insurers to include a standard package of benefits. This will result in cheaper, less comprehensive policies for younger people looking to save money.

Look, no one is saying this is a panacea and all these changes are perfect. But, in reality, this appears to be a very strong first step in helping our ailing health care system.



We here at PPD have always said that the care of our patients is our prime concern and that we truly believe in the sanctity of the doctor-patient relationship. The actual bill, Empowering Patients First Act, is over 240 pages and this is just a summary. We strongly believe that each and every step is not only well thought-





out but a move in the right direction. If you wish to learn more we have enclosed a few references for further reading.

<http://www.medscape.com/viewarticle/872682>

[http://privatepracticedoctors.com/wp-content/uploads/2016/05/Special\\_May\\_PPD\\_Bulletin\\_and\\_Newsletter.pdf](http://privatepracticedoctors.com/wp-content/uploads/2016/05/Special_May_PPD_Bulletin_and_Newsletter.pdf)

<http://www.thefiscaltimes.com/2016/11/30/8-Big-Changes-Under-Tom-Price-s-Obamacare-Replacement-Plan-0>



Please remember though, Private Practice Doctors is fighting for you, the private physician. If physicians are allowed to negotiate in groups with insurers, we will be at the forefront representing you and your interests. In the meantime, it would be remiss if we did not mention all the great ways we can save you money on the expense side of your ledger. So, take the time a peruse the following list of just SOME of our offerings. We are in negotiations currently to add to this list, so check with us often.

- Discounts on medical supplies through McKesson
- Discounts on office supplies through Office Max and Staples
- Discounts on cellular plans from AT&T, Verizon and T-Mobile
- Discounts of banking services through Bank of America
- Discounts on merchant account rates through Bank of America

- Discounts on insurance for your employees
- Discounts on medical equipment and office furniture
- Discounts on electronic medical records
- Discounts on car rental and hotel reservations
- Discounts on so much more

If you have not checked us out recently, please do so at [www.privatepracticedoctors.com](http://www.privatepracticedoctors.com). When our sales manager, Sarah Wilson, calls, please instruct your staff to put her through to you. We can't save you money if there is no one to talk to. We look forward to hearing from you.

