



OSMA News Now

*The Latest News, Views, Updates, and Information for Physicians
from the Oklahoma State Medical Association*

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SENATE PASSES HR 6331 “Medicare Improvements for Patients and Providers Act of 2008”

On Wednesday, July 9, 2008, the U.S. Senate passed H.R. 6331, the “Medicare Improvements for Patients and Providers Act of 2008,” by a veto-proof majority of 69-30. Senator Edward Kennedy (D-MA) entered the chamber midway through the roll call to cast his vote in favor of the bill—his first appearance in the Senate since his operation in early June. Eighteen Republican Senators joined the Senate Democrats to make this a truly bipartisan process. (The actual roll call vote follows at the end of this message.)

The legislation replaces the 10.6% payment cut that went into effect on July 1 with a 0.5% update extension through December 31, 2008. For calendar year 2009, the update will be 1.1%. Other important provisions such as extending the GPCI floor on physician work were also included.

The bill must now be signed into law by President Bush, who has signaled on more than one occasion that he intends to veto it. However, given the fact that the payment cuts have already occurred and that the bill passed both chambers with the two-third majority needed to override a veto, there is some reason to question next steps by the White House.

Both Oklahoma Senators Jim Inhofe and Tom Coburn voted against the legislation. Senator Coburn, one of two physicians in the Senate, published the following op-ed piece on the doc-fix just prior to the vote. OSMA has asked Senator Inhofe to also provide physicians with information on why he voted against H.R. 6331 which will be published in a future News Now.

Real Clear Politics Senate Leaders Holding Doctors Hostage

By Tom Coburn

As a practicing physician currently serving in the United States Senate, I have been disappointed not only by Congress’ inability to prevent cuts to the physician reimbursement rates within Medicare, but in our colleagues’ inability to debate the real issues at hand honestly and constructively. While I appreciate the desire of Senate leaders to speak on behalf of doctors, I believe, as a doctor, that the American people deserve a better understanding of what is at stake in this debate, and in the larger debate about health care.

In short, the Senate’s recent debate about physician reimbursement rates has been nothing more than a regularly-scheduled hostage crisis in which doctors facing payment cuts are held captive by politicians who want to achieve unrelated ideological goals. In this case, the ransom Senate leaders are demanding in exchange for a doctor fix are cuts in the successful Medicare Advantage program that gives seniors greater choice and access to health care. The real debate, then, is not about reimbursement rates, but government-run health care vs. individually-controlled consumer driven health care. If that is the debate Senate leaders wish to have, they should have that debate directly - not stage a diversionary hostage-crisis that harms doctors and patients.

As a doctor, the hostility toward private plans among some of my legislative colleagues is confounding because private plans have a proven record of better benefits and quality, superior clinical expertise for coverage decisions,

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and increased access for vulnerable and minority populations. Medicare Advantage offers seniors personal choice and control over their health care decisions. More than one out of every five seniors rely on their Medicare Advantage plans to provide an alternative to government-run Medicare. Yet, the Democrats' plan would inexplicably limit the availability of these options for seniors. This misguided position is not based on any empirical data, but pure ideology and hostility to individual freedom and choice in health care.

The irony of this debate is that the so-called "crisis" in sustainable Medicare reimbursement rates is caused by policies that lead to unsustainable increases in costs. Medicare was designed so physician reimbursement rates would keep pace with costs. Yet, this broken payment system predictably leaves doctors facing a larger cut every successive year - hence the annual crisis that requires difficult maintenance. Instead of fixing this problem once and for all, Senate leaders, and presumptive Democratic presidential nominee Barack Obama, want to not only enshrine this dysfunctional model in Medicare but apply it to the entire health care system.

As a doctor, I know first-hand that the result of such a scheme would be not merely an annual crisis, but a permanent crisis in which even more of my medical colleagues would leave the profession rather than contend with ever-shrinking reimbursement rates and intractable bureaucrats in Washington. Senate leaders seem oblivious to the fact that this is an immediate - not far off - problem. Physicians across the country are increasingly refusing to treat Medicare (and Medicaid) patients because Washington's manipulation of the health care market is failing. Expanding Washington's lordship over health care would only reduce the number of doctors in the system as the number of seniors seeking to access Medicare swells.

Regardless of the outcome of the doc fix bill, this debate is a reminder of why physicians must get engaged in health care reform. Once we pass this 18-month patch, we will have to come back and figure out how to prevent a 21 percent cut in 2010. Doctors should make no mistake that the underlying problem is that bureaucrats and politicians in Washington are telling them how much they can charge to see their patients. If our health care system turns single-payer - as it eventually would under an Obama Administration - we won't be fighting cuts to care for our over 65 patients, but cuts over reimbursements for all of our patients.

After a compromise is passed and the phony theatrics end, Congress should immediately begin working on comprehensive reform. We can solve today's health care crisis by turning to a single-payer system - where care will be rationed and physicians will have to fight for perpetual reimbursement rate fixes for all of the patients they see - or we can solve that crisis with solutions that rely on American ingenuity and individual choice. My experience as a physician and legislator has taught me that the latter is the only long-term solution that will work.

In any event, our goal must be results for seniors and patients - not election-year posturing. Physicians want to care for their patients and receive a fair wage. Beneficiaries want the security of knowing medical care will always be available to them. We can achieve both if Senators are interested in a solution, not just an election-year issue.

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OSMA Health Physician Reimbursement Unchanged

At their June 25th Board meeting, the Board of Directors for OSMA Health acted to keep physician reimbursement at pre July 1, 2008 levels. Even though the PPO contract reimbursement level is tied to Medicare, the reimbursement levels will not be adjusted downward. The Board will make a final determination of any changes to be made following any future Congressional and Executive action.

This decision reflects the ongoing commitment to maintaining equitable and appropriate levels of compensation for your physician health plan. Please feel free contact our provider relations staff at 1-888-244-5096 if you have any questions.