



OSMA News Now

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

August 1, 2008

Editor's Note: Following the final vote on HR 6331, relating to Medicare reimbursement, OSMA asked our two U.S. Senators for an explanation for our members of why they voted against overriding the President's veto. Please see Inhofe's response.

Dear Oklahoma State Medical Association Members:

I consider it a privilege to be from a state with physicians who are so committed to patient care, and I appreciate the opportunity to share my thoughts with you. I have long been dedicated to quality health care and desire to see my fellow Oklahomans and all Americans receive the best possible health care with the most choices. As a supporter of a consumer-driven health care market, I believe such an environment will provide Americans with a wide array of choices and the opportunity to make their own decisions about their health care, not universal government-run health care.

One of my top priorities has been to ensure Congress acts annually to prevent the Medicare reimbursement cuts. In fact, since 2002, I have voted every year to prevent these cuts, and supported legislation again this year to do the same. Therefore, many of you may be wondering why I was forced to vote against a bill this year that included a fix for these cuts.

Simply put, as has become all too common this year in Washington, election year politics trumped sound policy. The fact is that over the past six years Republicans and Democrats worked together to make sure we prevented these Medicare reimbursement cuts. That was not the case this year. Rather than the two parties coming together from the start, a decision was made to use this issue for partisan gain.

Undoubtedly, therefore, there will be those who try and characterize my vote as voting against Medicare reimbursements. This is simply not true. Rather, I strongly supported legislation that not only ensured Congress would prevent these cuts, but did so in a way that did not include severe cuts to the Medicare Advantage Program, in which almost 75,000 Oklahomans are enrolled. The \$14 billion cuts to this program imposed by this legislation over the next ten years will hit seniors in rural areas the hardest and will take America further down the road toward universal government-run health care.

Additionally, as a member of the Senate Rural Health Caucus, I fought to include provisions for ambulance payments in rural areas supported by local ambulance service providers in Oklahoma, additional payments for rural home health services, and support for our rural hospitals, such as clinical diagnostic lab services and skilled nursing care at our critical access hospitals.

I am glad to see, however, that the final bill enacted into law continues funding for several Oklahoma priorities, such as for special diabetes programs requested by the Oklahoma Juvenile Diabetes Research Foundation, continued outpatient physical therapy funding under Medicare, and expanding the Medicare Rural Hospital Flexibility (FLEX) grant program, which provides support for the predominately rural Critical Access Hospitals.

As in every election year, a lot of political rhetoric is thrown around in an attempt to confuse voters. I am proud of my long record of support for the continuing reimbursement of physicians treating Medicare patients, but I could not in good faith support a bill that I didn't believe did enough for Medicare Recipients and doctors in Oklahoma. I now look forward to working together to achieve true reform of the physician reimbursement formula and hearing your thoughts and ideas concerning this.

Sincerely,

Jim Inhofe

www.inhofe.senate.gov

FOR THE FUTURE OF OUR PROFESSION

WHAT: MEDICARE FORUM

WHEN: SATURDAY, AUGUST 16, 2008 – 9:00 a.m. - 12:00 noon

WHERE: OKLAHOMA SCHOOL OF SCIENCE & MATHEMATICS AUDITORIUM
1411 N. LINCOLN BOULEVARD - OKLAHOMA CITY, OK

PURPOSE: EDUCATION, DISCUSSION AND ACTION PLANNING

SPEAKERS: WILL INCLUDE DR. WILLIAM HAZEL, AMA TRUSTEE
DR. SHELDON GROSS, AMPAC REPRESENTATIVE

- THE “MEDICARE IMPROVEMENTS FOR PATIENTS AND PROVIDERS ACT” (HR 6331) DID NOT ELIMINATE OR REFORM THE SUSTAINABLE GROWTH RATE (SGR) SYSTEM.
- PHYSICIANS WILL CONFRONT AN ESTIMATED 21% PAYMENT REDUCTION IN 2010.
- WE HAVE 18 MONTHS TO DEVELOP A TRUE SOLUTION TO THE DYSFUNCTIONAL MEDICARE PAYMENT FORMULA.
- THIS IS OUR OPPORTUNITY TO DEVELOP LONG-TERM MEDICARE PAYMENT REFORM PROPOSALS TO ENSURE ACCESS TO CARE FOR OUR ELDERLY CITIZENS AND TO UTILIZE THE GRASSROOTS SYSTEM TO ENACT CHANGE.

We need your participation! Space is limited. **To make reservations, contact the Oklahoma County Medical Society, 405-843-5619; via email, dadams@o-c-m-s.org; or fax the completed form to 405-843-9610, by Monday, August 11.**

I plan to attend the Medicare Forum _____
Name (please print)

Guests: _____
Name/s (please print)

Sponsors include:

- Oklahoma County Medical Society
- Oklahoma State Medical Association
- Oklahoma Academy of Family Physicians
- Oklahoma Society of Clinical Oncology
- Oklahoma Osteopathic Association

AMA Calls on U.S. House to Pass Tobacco Bill

AMA Immediate Past President Ron Davis, issued the following press statement calling on the U.S. House of Representatives to pass legislation to better regulate tobacco products.

“This week, the U.S. House of Representatives must take a critical step to combat smoking-related diseases by passing the ‘Family Smoking and Tobacco Control Act’ and giving the FDA needed regulatory authority over tobacco products.

“Given what we know about the dangers of smoking, it is astonishing that tobacco products are one of the least regulated products in our society. Congressional action to provide the FDA with strong and effective regulatory authority over tobacco products is long overdue. The bill will stop illegal sales of tobacco products to children, further restrict marketing, especially to kids, and require more informative health warnings on each package.

“The FDA currently serves a vital role in protecting the health of Americans through the regulation of food and drugs. This bill ensures that the FDA will have the resources necessary to regulate the tobacco industry in addition to its current responsibilities. We should not let another day go by without taking the important step of passing this legislation to enact long-overdue controls over these deadly products.”

E-prescribers See Medicare Bonus, but Late Adopters Will Face Pay Cut

AMA News July 2008

The Bush administration is running a full-court press on physicians to get them to embrace electronic prescribing well ahead of a new Medicare mandate that is a little more than three years away. Under the Medicare payment bill that became law in July, doctors who prescribe electronically for Part D patients in 2009 will get an incentive payment equal to 2% of all the Medicare services they provide for the year. This bonus will phase down over five years and disappear at the beginning of 2014.

Starting in 2012, physicians who are still paper-only will see a cut in their total Medicare payment for the year. A physician may be eligible for an exemption from the penalties if Medicare determines that compliance would represent a significant hardship. The law cites an example of a doctor who practices in a rural area that has insufficient Internet access.

The Bush administration did not support the measure as a whole but is moving forward aggressively to implement the e-prescribing provision, which President Bush did endorse. The Centers for Medicare & Medicaid Services will issue rules later this year that will determine exactly how the incentive system will work and when bonuses will be paid.

Plans also are in the works for a CMS conference this fall that will educate physicians about what technology to use and how to use it. The agency wants to take advantage of its "bully pulpit" to get as many doctors on board with this technology as soon as possible, said Kerry Weems, CMS acting administrator.

The Question of Cost

Physicians consider the incentive program a good first step, and the bonuses could help doctors absorb the costs of the new technology, said American Medical Association Board of Trustees member Steven J. Stack, MD. But additional government payments alone likely will not provide enough financial support for what can be an expensive undertaking, he said. Private industry partners need to provide doctors with extra assistance.

Although the prospect of future Medicare physician payment cuts for noncompliance is very real, Congress could step in to stop them if it determines that too many doctors would take a hit, Dr. Stack said. "Whether these financial penalties will prove insurmountable, we are going to have to take the optimistic approach and hope that we can work through them."

American Academy of Family Physicians President James King, MD, said the fact that several years worth of positive incentives will go by before penalties kick in takes some of the sting out of the e-prescribing mandate.

CMS estimates that it would cost each physician about \$3,000 to purchase and install a basic electronic prescribing system and \$80 to \$400 per month to maintain it. A 2% Medicare payment bonus in many cases could cover these costs, Weems said. To give an idea of the money available, he cited the lump-sum payments Medicare made last month for the Physician Quality Reporting Initiative. For the 2007 PQRI, which featured a 1.5% bonus and covered only six months of reporting, the average incentive paid to individual physicians was more than \$600, and the average for group practices exceeded \$4,700. The largest single payment to a group practice topped \$200,000.

Under the new Medicare law, CMS will drop e-prescribing use from the list of PQRI measures. The quality reporting program will run all of next year, and Congress boosted the possible bonus to 2%. So in 2009, physicians could receive the additional 2% for e-prescribing under the new Medicare law and another 2% for reporting quality measures under PQRI.

The Bush administration expects that the e-prescribing incentive program will save Medicare an estimated \$156 million over five years by reducing the number of adverse drug events. Without the safety and accuracy of electronic drug orders, patients have poorer health outcomes, and practices use up unnecessary resources clarifying orders to pharmacies, said Dept. of Health and Human Services Secretary Michael Leavitt. "That's a lot of people needlessly hurt and a lot of time wasted," he said.

Barriers to Overcome

The AMA has argued that physicians cannot fully adopt e-prescribing in Medicare until the government allows electronic drug orders for controlled substances. Physicians complain that the need to maintain a separate paper system for these medications, which make up about 10% of all prescriptions, renders moot any potential savings or efficiency gains from going electronic.

The White House took a big step toward removing that barrier to adoption in late June when the Drug Enforcement Administration proposed new regulations that would lift the ban on e-prescribing controlled substances. The rules would apply to all controlled substances Schedule II and higher. Schedule I drugs cannot be prescribed for medical purposes. The DEA is accepting comments on its proposal through Sept. 25.

Penalties for paper prescriptions will start in 2012.

The AMA's Dr. Stack welcomed the proposed end to the ban and said it was long overdue. But the additional requirements on physicians proposed by the DEA for e-prescribing controlled substances are too cumbersome to be practical, he added. For example, the requirement that physicians carry around a portable data drive or other "hard token" that must be used to authenticate their identities on the e-prescribing system is too big a burden for practices, he said. Dr. Stack also criticized the proposed requirement that doctors review monthly prescription logs for all the controlled substances they order. He said the DEA's layers of protection are too stringent, given that electronic prescribing is less prone to drug diversion than is a paper-based system.

In addition, CMS still needs to finalize three additional standards on e-prescribing use before physicians can truly embrace the technology, Dr. Stack said. The agency must complete this work a minimum of two years before any Medicare penalties take effect, he said. This means CMS would need to finish the task by the end of 2009 to meet the AMA framework.

The DEA proposal hits on just one of the major roadblocks to e-prescribing adoption, but more daunting impediments remain, said Ned Milenkovich, a registered pharmacist and an associate with the law firm McDermott Will & Emery in Chicago. "At the end of the day, the barriers are all going to come down to dollars and cost," he said. Physicians are going to need to determine if the positive benefits associated with going electronic outweigh the economic downsides that go along with taking on the new technology.

Rural Health Association of Oklahoma • 17th Annual Conference • September 3-5, 2008

Plan now to attend an exciting event on September 3-5, 2008 at the Reed Center in Midwest City. Co-sponsored by the Office of Rural Health, this conference is expected to bring together more than 200 healthcare professionals from rural and underserved areas to consider issues facing healthcare delivery in rural Oklahoma.

On the first day, September 3rd, there will be a golf tournament held in Oklahoma City, Oklahoma. Plenary Sessions on September 4th and 5th will bring acclaimed speakers on "Improving Health For Rural Oklahomans." Concurrent session offerings will include three tracks for participants to follow: Public Health, Administrative and Rural Mental Health. Each track will have three individual breakout sessions that relate to the theme of the track. To view the agenda and to download the registration form, please visit OSMA's web site at OKMED.org.

A DAY WITH THE JUDGES:

Medical Liability Issues

Presented by the American Board of Legal Medicine and joint sponsored by the OSMA and PLICO, "A Day with the Judges" will be held Friday, October 24, 2008. The seminar will begin at 8:30 am and conclude at 4:00 pm in the Conference Center at St. Francis Hospital at 6161 S. Yale Ave. in Tulsa, OK. 74136.

Sessions will include If Sued, What Should The Doctor Do?; Informed Consent and Informed Refusal in Oklahoma; Expert Witness: Ethical & Liability Issues; Public Health: All Hazard Preparedness and Medical Liability; End of Life: Ethical & Liability Issues; Tort Reform Update; Medical Negligence, Trial and Appeal; Patient Safety, Quality and Never Event Medical Errors; Unprofessional Medical Conduct; Criminalization of Negligence; SSA Disability Determination.

Speakers will include: S. Sandy Sanbar, MD, PhD, JD, FCLM, Program Chairman; Justice Marian P. Opala, Oklahoma Supreme Court, Co-Chairman; Judges Kenneth L. Buettner and John Fischer, Oklahoma Court of Civil Appeals; Carl Hook, MD, FACS, President/CEO PLICO; Senator Glenn Coffee, Co-President Pro Tempore; Dale Bratzler, DO, MPH, QIOSC Medical Director; James Mike Crutcher, MD, MPH, FACPM, Oklahoma Secretary of Health, Oklahoma State Commissioner of Health; W.A. Drew Edmondson, JD, Oklahoma State Attorney General; Curtis Harris, MS, MD, JD, FCLM, and Gerald Zumwalt, MD, Secretary, Oklahoma State Board of Medical Licensure & Supervision.

The program cost is \$100 for Physician Members, PA's and Allied Health Professionals, Physician Non-Members \$150 and Attorneys \$195. To register or to inquire about CME and PLICO credits, contact Sandy Deeba at deeba@osmaonline.org or call (405) 843-9571

NOTICE OF PUBLIC HEARING

The Physician Advisory Committee to the Workers' Compensation Court will hold a public hearing on August 22, 2008 at 2:00 PM in the 2nd Floor Courtroom, at the Oklahoma Workers' Compensation Court, 1915 N. Stiles, Oklahoma City, Oklahoma.

The purpose of the hearing is to obtain public comment regarding adoption or modification of the 6th Edition of the American Medical Association's Guides to the Evaluation of Permanent Impairment or the adoption of another method or system to evaluate permanent impairment in place of or in combination with such Guides.

Submission of written comment prior to the hearing is encouraged and may be provided in care of Bill Wiles, Workers' Compensation Court, 1915 N. Stiles, Oklahoma City, OK 73105.

The 6th Edition of the American Medical Association's Guides to the Evaluation of Permanent Impairment is available for purchase at bookstores carrying medical reference materials and at the American Medical Association's online bookstore. (<https://catalog.ama-assn.org/Catalog/home.jsp>)