

## Medicare cut delayed for six months

In a last-minute deal, Congress passed a six-month reprieve from a 10 percent cut in Medicare payments to physicians that was scheduled to take effect January 1.

The bipartisan measure includes a payment increase of 0.5 percent for physicians for six months. Passage of the stop-gap measure means Congress will have to tackle the issue this spring in order to prevent the previously scheduled 10 percent cut from taking effect July 1.

The legislation also continues funding the State Children's Health Insurance Program at the current level of enrollment through March 31, 2009, according to the American Medical Association.

MMA President James J. Dehen, Jr., M.D., was pleased with the 0.5 percent increase but admonished Congress for failing to fix the problem.

"They keep patching a flawed formula," Dehen says. "While we are not going to scoff at a pay increase, it doesn't address the problem of the Sustainable Growth Rate formula. Congress really needs to focus on fixing this formula."

The AARP, which has supported doctors in their efforts to stop the scheduled 10 percent cut, described the short-term fix

as woefully inadequate, according to the Associated Press.

"Enactment of this legislation does little to protect millions of Medicare beneficiaries from higher monthly premiums and only temporarily averts the problems beneficiaries would face finding a physician if payment cuts take place," David Sloane, the AARP's director of government relations, said in an AP story.

The AARP, the MMA, and the AMA supported a proposal by Democrats to prevent the physician payment cut by reducing Medicare Advantage subsidies to insurers. However, the Bush administration threatened to veto that proposal.

The physician pay increase in the compromise proposal is partially funded by \$1.5 billion that is scheduled to be trimmed from the stabilization fund for regional preferred provider organizations in 2012. This fund provides payments to some insurers who operate in underserved areas.

The compromise also extends a provision that provides a 5 percent bonus payment through June 30, 2008, to physicians practicing in physician-shortage areas and extends for six months a nearly 0.5 percent payment adjustment for Minnesota that helps eliminate an unfair payment disadvantage the state suffers compared to other states, according to the AMA. ■

## MMA leader tells seniors about looming cuts

MMA Immediate Past President G. Richard Geier, M.D., recently spoke to Congressional staffers and more than 100 seniors about the critical issues facing Medicare.

Geier addressed the group on December 1 as part of the MMA's efforts to prevent a scheduled 10 percent cut in Medicare payments.

In addition to speaking, Geier participated in a roundtable discussion that included representatives from the offices of U.S. Reps. Tim Walz, DFL-Mankato, Jim Ramstad, R-Minnetonka, and Keith Ellison, DFL-Minneapolis, and Sens. Amy Klobuchar and Norman Coleman.

The event's sponsors included the Medicare Justice Coalition, which includes the MMA, the Minnesota Senior Federation, the Minnesota Office of AARP, and the Minnesota division of the Alliance of Retired Americans.

Geier's comments focused on how access to health care for seniors would become more difficult if the cut occurred.

"In many areas, physicians are limiting the number of Medicare patients they see or refusing to take new ones," Geier said.

The crowd was receptive to Geier's comments. "The seniors get it. They are as concerned about the effects of access as we are," he said.

As for the Congressional staffers, Geier said, they expressed support but he was disappointed by their lack of specifics for fixing the problem.

Geier explained that the Balanced Budget Act of 1997 has resulted in real reductions in physician payments, since the act instituted a formula that limits spending on physician payments

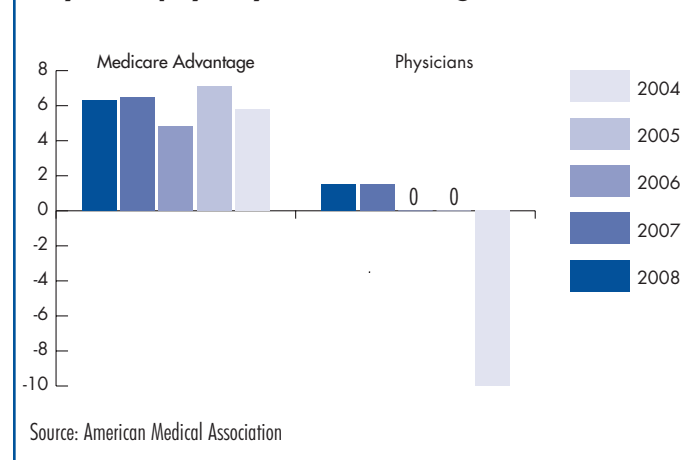
based on the gross national product, which has nothing to do with health care costs.

"Today's physician payments are back to where they were in 2001," Geier said.

He noted the unfairness of the system, since only physicians suffer such cuts, while home health agencies, hospitals, and nursing home providers receive increases.

"Congress needs to create a realistic system of paying physicians and other health care providers that is rational, honest, transparent, and fair to all stakeholders," Geier said. ■

**Physician pay stays flat, insurers get nice boosts**



**GO ONLINE**  
[www.MMAonline.net](http://www.MMAonline.net)

The MMA is committed to providing members with timely health care news online. Visit [www.MMAonline.net](http://www.MMAonline.net) to see our new and improved website.

Find a job or have a job find you by using the newly added Physician Career Center.

Find a long-lost colleague at Physician Finder.

Find the most comprehensive listing of Minnesota-related CME events at our new events calendar.

# Pay-for-performance programs fall short

The Minnesota Medical Association has released the first report ever to examine and evaluate Minnesota's pay-for-performance initiatives.

The MMA developed the report in response to the growing trend of linking physician payments to the achievement of clinical outcomes or use of specific processes. The report, which was released November 19 and mailed to all members, was featured in a *Star Tribune* front-page article, "Doctors turn tables by ranking insurers."

The report looked closely at the various health plan and government pay-for-performance initiatives and evaluated them using criteria established by the MMA. Programs should drive improvements in quality care, strengthen the physician-patient partnership, use valid measures, and include physicians from across medical specialties.

"Pay-for-performance programs in Minnesota may be meeting some of the MMA's criteria, but there is significant room for improvement in how these programs are implemented and in how they can be effective," MMA President James J. Dehen Jr., M.D., said in a press release.

One problem is variation in pay-for-performance programs. The report found that Minnesota has nine programs that include at least 117 measures for 63 different disease states.

By asking for slightly different types of data, these nine programs create confusion and significant administrative work. For instance, HealthPartners judges physicians based on whether women ages 50 to 80 years had a mammogram during the past year, whereas Medica rewards physicians if women between 40 and 69 years of age had a mammogram

during the last two years.

"Such seemingly small differences among programs actually create enormous challenges for practices, resulting in unnecessary administrative burdens," Dehen said. "And they add to health care costs."

Another shortcoming of Minnesota's pay-for-performance programs is that they rarely adjust for differences in the severity and complexity of patients' conditions. This can result in an apples-to-oranges comparison that doesn't really capture differences in the care provided.

"We need to make sure that these programs don't financially penalize physicians who work with patients who have complex illnesses or difficult circumstances," Dehen said.

## Encouraging P4P revamp

MMA leaders met with health plan leaders days before the release of the report to discuss ways Minnesota could improve its pay-for-performance programs. In the report, the MMA urges Minnesota's health plans, employers, and others that use pay for performance to take steps toward providing financial incentives for care coordination, implementing electronic health records, and adjusting risk for difficult-to-treat patients.

Julie Brunner, executive director of the Minnesota Council of Health Plans, said in the *Star Tribune* article that insurers were working with the association to address these concerns, although they didn't necessarily agree with all of them.

"This was not an easy conversation, but it was a good conversation," Brunner said in the article. ■

## Health Plan P4P To-Do List

- Provide financial incentives for care coordination, especially for patients with chronic illnesses.
- Provide financial incentives for implementing health information technology and electronic medical records.
- Eliminate financial penalties for providing care that is in the patient's best interest. A physician shouldn't be penalized for prescribing a brand-name drug rather than a generic if that's what the patient needs.
- Ensure that programs don't penalize physicians who accept patients with complex and difficult conditions.
- Adopt a common measurement set, preferably one developed by MN Community Measurement, and a streamlined data-collection process in order to reduce the administrative burden.



## ■ PREVENT DISEASE

# Health Commissioner gives lowdown on Freedom to Breathe



Sanne Magnan, M.D.

*Sanne Magnan, M.D., was appointed to her new position as commissioner of the Minnesota Department of Health days before the Freedom to Breathe Act took effect October 1. She shared her thoughts on the historic law's impact.*

## How has the implementation of Freedom to Breathe been

### going?

It has been going smoothly as anticipated, since close to 70 percent of Minnesotans want workplaces to be smoke free. We have not had to take any enforcement action and only have had to inform about 50 businesses to take additional steps to comply with the law.

### How are you going to measure the effectiveness of the law?

We are most interested in what is happening with our smoking rates. And that is one that we will be able to measure in 2008 with the behavioral risk factors surveillance system. We'll also be able to look at quit attempts with the survey system as well as calls to quit lines. There will also be a survey done in 2010 that will look at adults' exposure to secondhand smoke.

### How can physicians act as advocates to help prevent tobacco related diseases?

Physicians have a powerful trusted voice in their community. They can speak out to community boards and elected

officials, in public forums on behalf of prevention. They can meet with elected officials and stress the health and economic consequences of tobacco use. They can also offer to testify at public hearings.

Another way is to recognize and thank their leaders when they take a stand and work on issues like this.

### What should physicians do now regarding this issue and public policy?

We need to be vigilant about upholding the gains we have made in terms of secondhand smoke and increasing the cost of cigarettes.

### Does the passage of Freedom to Breathe provide physicians an opportunity to help patients quit?

When there are changes in our social norms around tobacco, it is a great opportunity for patients to make a change because the environment is supporting them in a healthy behavior. One of the pieces of research that I did with Leif Solberg, M.D., at HealthPartners Research Foundation found patients were more satisfied when physicians offered assistance with quitting. I took that to mean that patients considered it a way of saying "I care about you." So this is a great point in time to offer that assistance again.

### What can clinicians do in their clinics?

First, they should have systems for addressing the top preventable causes of death. With tobacco, staff can use the Five As. So staff should Ask about use, give Advice about quitting, Assess willingness to quit, Assist with quitting and Arrange for follow up.

We also have a new statewide fax referral program launched on October 1, Call It Quits. It's free, and it is an easy way for a clinic to get patients to tobacco quit line services.

Also in 2008, the Institute for Clinical Systems Improvement is releasing a new guideline addressing primary prevention of chronic disease, including tobacco. Finally, doctors can keep advocating for first-dollar coverage for cessation benefits for all patients in Minnesota.

### Should physicians be held accountable for whether or not their patients quit smoking?

It is appropriate to have tobacco use as one of many measures. It is good to measure both, process and outcomes. In the end, we want our patients to not be using tobacco, and physicians can play a powerful role in achieving that outcome.

### What are the health department's next agenda items?

Sustaining our gains, making certain we continue to have high cigarette prices that discourage kids from smoking.

I also look forward to meeting with physicians about how to continue to address the major preventable causes of death. My top priorities as the new commissioner of health are prevention, a strong public health infrastructure, and transformation of the health care system. ■

## Ban helps smokers quit

### In October . . .

- The number of nicotine replacement products Blue Cross dispensed tripled compared with September.
- Medica saw a 40 percent increase in use of counseling services compared to the previous month.
- ClearWay saw increased traffic at QuitPlan Centers in Willmar, Thief River Falls, and Minneapolis.

Source: "Ban motivating Minnesota smokers to quit," December 10, 2007, *Star Tribune*.

# Visit the new [www.MMAonline.net](http://www.MMAonline.net)



The MMA has improved its website and added new features including a career center, a physician finder, a CME calendar and improved news coverage. All 2007 issues of *Minnesota Medicine* are currently available online and can be reached under Publications at [www.MMAonline.net](http://www.MMAonline.net) or directly at [www.minnesotamedicine.com](http://www.minnesotamedicine.com).

## Find a job

Find a job and have a job find you. The MMA Physician Career Center makes it easy for physicians to search for a career opportunity, and for employers to recruit the doctors they need. The center already had more than 50 job listings at its opening. You can also use the system to apply for jobs and send your resume. You can also sign up for email alerts about job opportunities.

To help employers find you, the center lets you post your resume to a confidential viewing area just for employers. Visit the site and create an account today.



**PHYSICIAN Career Center** Start your job search or post your resume by visiting the homepage and clicking on the Physician Career Center button.

## Find a colleague

Where did Dr. Johnson go again? The MMA's Physician Finder, the most comprehensive database of Minnesota physicians in the state, can tell you. It's searchable, and it's easy to use. Also, visit the site to make sure your own information is correct so potential patients and referring physicians can find you.



**FIND A Physician** Find a physician by visiting the homepage and clicking on the Find a Physician button.

## Find a bargain

You can get discounts on cars, office supplies and a full range of insurance and financial planning programs.

Learn more about member discounts by visiting the homepage and clicking on the Products and Services button.



## Find CME courses

There's only one place in Minnesota that lists the state's CME opportunities: [www.mmaonline.net](http://www.mmaonline.net). The new site includes a calendar and lists of CME courses that are either in Minnesota or affiliated with Minnesota organizations. CME events can be sorted by date or by location.

Look for your next CME course by clicking on View All Events or by visiting the Products and Services page and clicking on Events and Education.



## News

The MMA has a strong commitment to putting Minnesota's health care news online and typically posts more than a dozen stories a week. The new website sorts stories chronologically and by topic. So if health care reform is your interest, you can bookmark the health care reform news page to see the latest updates. Also make sure to sign up for the MMA's weekly email newsletter.

Click on News at the top of any page and find the news topic that interests you.

Click on the Publications drop-down menu on any page and choose MMA Online News to register for the weekly email newsletter.

## Five ways the MMA's new website can help you be a better advocate

1. Join the MMA's Action Alert Network to receive email alerts about when your involvement can make a critical difference.



2. Learn who your representatives are and email them about issues you care about (even those not related to health care).



3. What's your key issue? Fighting obesity? Health care reform? Visit the Key Issues page to learn more about your key advocacy issue. (Click on Key Issues on the Legislation drop-down menu.)



4. Where does the MMA stand on gifts to doctors? Find out using our searchable policy compendium.



5. Communicate effectively using the MMA advocacy tips.



**LEGISLATION** Click on the Legislation button.



■ MANAGE YOUR PRACTICE

## MMA endorses legal service

The MMA has endorsed Prepaid Legal Services Inc., which for a fee provides employees with identity theft protection and access to attorneys for will preparation, document reviews, consultations, and letter writing.

The MMA is encouraging clinics to make the service available to their employees through an optional monthly payroll deduction.

Visit [www.prepaidlegal.com](http://www.prepaidlegal.com) to learn more or contact Steve Baker at 651/493-9394 or [sb@prepaidlegal.com](mailto:sb@prepaidlegal.com).

An MMA endorsement means that the MMA has done the due diligence to determine that the service is of value to physician practices. ■

“The only constant we see is change.”

Learn how MMIC is continually developing ways to protect you from and to help you prevent medical malpractice lawsuits.

For more than 27 years, we've seen how malpractice issues can challenge physicians. We're here to help protect your assets with malpractice insurance coverage that is backed with:

- Unsurpassable risk management and patient safety resources
- Competitive pricing through effective underwriting
- Strong defense-minded philosophy to protect your interests
- Service and support that puts you first

To learn more about how MMIC can help protect you, call 1.800.328.5532.

“A” Excellent rating from A. M. Best

 **The MMIC Group**  
Midwest Medical Insurance Company

Insurance, Claim & Risk Management • Technology • Customer Service

to protect against & prevent malpractice

to help your practice thrive

that puts you first

## PHYSICIAN ADVOCATE

December 2007/January 2008 | Volume 10, Issue 9

### ■ Inside

#### Medicare cuts delayed for six months

In a last-minute deal, Congress passed a six-month reprieve from a 10 percent cut in Medicare payments to physicians that was scheduled to take effect January 1. Page 1.

#### Revamped website has new features

The MMA's new website makes it easier for members to find a job, a bargain, a CME course, or a colleague. Page 3.

#### MMA tells seniors about Medicare cuts

Physicians kept fighting into December to stop a proposed 10 percent cut in Medicare physician payments. Congress was expected to pass a six-month, 0.5 percent increase as a stop-gap fix that would expire on July 1. Page 1.

## DON'T BE A LOST DOCTOR!

List your clinic or practice on MMA's online Find a Physician!



Find a Physician on MMA's website lists Minnesota physicians and their location, specialty and clinic.

Send your clinic's URL to [cwilliams@mnmed.org](mailto:cwilliams@mnmed.org).

**MMA Find A Physician**  
Where Minnesota's finest doctors are found.  
[www.MMAonline.net](http://www.MMAonline.net)

address service requested

Minnesota Medical Association  
1300 Godward Street N.E., #2500  
Minneapolis, MN 55413  
612/378-1875 or 800/342-5662

December 2007/January 2008 | Volume 10, Issue 9

 **MMA**  
Minnesota Medical Association

**PHYSICIAN ADVOCATE**

PERMITTED STANDARD  
U.S. POSTAGE  
**PAID**  
MPLS, MN  
PERMIT NO. 4457