Philadelphia Medicine

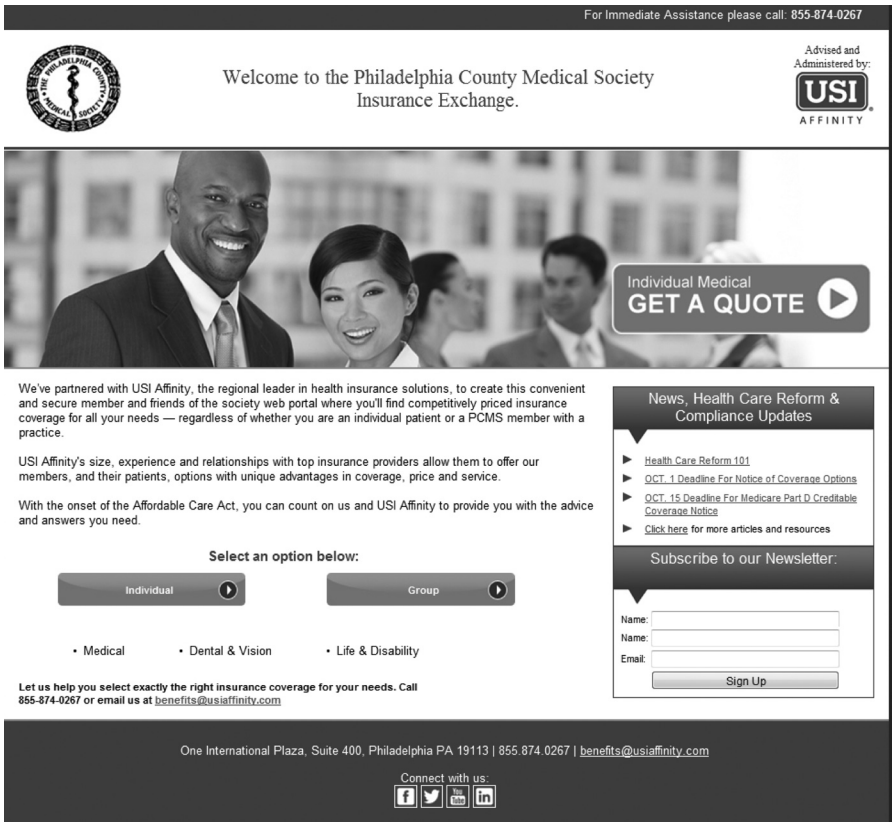
Volume 109, No. 8 October 2013

What does the ACA Marketplace cover?

The Affordable Care Act insures health plans offered in the individual and small group markets, both inside and outside of the Health Insurance Marketplace, and offers a comprehensive package of items and services, known as essential health benefits. All private health insurance plans offered in the Marketplace will offer the same set of essential health benefits.

Insurance policies must cover these benefits to be certified and offered in the Health Insurance Marketplace. Additionally, all Medicaid state plans must also cover these services by 2014. These essential benefits include at a minimum:

- Ambulatory patient services (outpatient care you get without being admitted to a hospital)
- Emergency services
- Hospitalization
- Maternity and newborn care (care before and after your baby is born)
- Mental health and substance use disorder services, including behavioral health treatment
- Prescription drugs
- Rehabilitative and habilitative services and devices to help people with injuries, disabilities, or chronic conditions to gain or recover mental and physical skills
- Laboratory services
- Preventive and wellness services and chronic disease management
- Pediatric services



PCMS NEWS

NOMINATIONS, PLEASE!

PCMS solicits nominees for the 2014 annual awards to be presented during the President's Installation in June, 2014 NOTE: Send submissions to stat@philamedsoc.org by December 31, 2013.

Strittmatter Award – Honors a PCMS physician who has demonstrated to the Society the most valuable contributions to the healing art, surgical or medical. Forward the nominating letter(s), and candidate's current CV.

Cristol Award – Presented to a PCMS member for dedication to organized medicine. Requirements: Submit the physician's name and list Society activities.

Practitioner of the Year Award – For excellence in patient care and community service. Requirements: Letter(s) of nomination may be sent by physician colleagues, medical students and staff. Please include a current CV and written examples of community service.

The Dr. Vanitha Appadorai Vaidya Award for Humaneness in Medicine – Presented to a PCMS Resident/Fellow physician for skills in working with people, patients, and their families and understanding human as well as clinical needs. Medical students, physicians and professional staff are urged to submit nominating letter(s) and include written examples of their nominee's humaneness.

Questions, call 215-563-5343, Ext. 113.

All events are posted on *philamedsoc.org* and Facebook page. These include CME programs and seminars.

We're on Facebook!

Want to read more about your fellow PCMS members and medical history in Philadelphia?
Check out our new Facebook page
www.facebook.com/PhilaMedSoc

Philadelphia Medicine

EDITORIAL BOARD
William S. Frankl, MD
Brian Hannah, MD
Stephen L. Schwartz, MD
Paul D. Siegel, MD
David Woods, PhD

PHILADELPHIA COUNTY MEDICAL SOCIETY

President
Curtis T. Miyamoto, MD

President-Elect
Anthony M. Padula, MD

Secretary
J. Q. Michael Yu, MD, FRCPC

Treasurer
Stephen R. Permut, MD, JD

Immediate Past President
Harvey B. Lefton, MD

Executive Director
Mark C. Austerberry

Executive Offices
2100 Spring Garden Street
Philadelphia, PA 19130
Phone: (215) 563-5343
E-mail: stat@philamedsoc.org
Web site: www.philamedsoc.org
ISSN 0031-7306

Philadelphia Medicine is an editorial project management service of Healthcare Media International, Inc. (HMI). HMI provides writing, editing, and contract publishing and medical communication consulting services.

Publisher
David Woods, PhD

Production Editor
Norman Kline

For more information about HMI's products and services call
215-351-5328
E-mail: HMI3000@comcast.net
or visit *www.davidwoods.info*

HMI HEALTHCARE MEDIA INTERNATIONAL

Editorial

The new Sunshine Act requires drug companies to report payments to physicians

By Curtis T. Miyamoto, MD

The days of the "free" pen or lunch from drug companies are long gone. Under the Stark law a physician may not refer patients for health services including prescription drugs and devices, if the physician or a close family member owns or has a financial relationship with the company. The Anti-Kickback Statute also mandates that physicians may not prescribe drugs or devices if they have received compensation that could influence the decision.

On October 1, the Physician Payments Sunshine Act went into full effect and is part of section 6002 of the Affordable Care Act.

It now requires that manufacturers who sell drugs, devices, biologics or medical supplies reimbursed by Medicare, Medicaid, or the Children's Health Insurance Program report payments and other transfers of value to physicians and teaching hospitals.

These include consulting fees and other services, direct compensation for serving as faculty or as a speaker for a medical education program, grants, any other nature of the payment, honoraria, gifts, entertainment, food, travel, education, research, charitable contribution, royalty or license, current or prospective ownership or investment interest, or other transfer of value.

These companies must disclose ownership or investment interests held by a physician's immediate family members. The only physicians exempt from this are those actually employed by the companies. Also, any direct or indirect payments or other transfers of value provided by the manufacturer to a third party at the request of or designated by the applicable manufacturer on behalf of the physician must be reported annually by the manufacturer to CMS.

Sen. Chuck Grassley (R. Iowa), a co-author of the legislation, says that "Disclosure brings about accountability, and accountability will strengthen the credibility of medical research, the marketing of ideas and, ultimately, the practice of medicine." He adds: "The lack of transparency regarding payments made by the pharmaceutical and medical device community to physicians has created a culture that this law should begin to change substantially."

There are certain exceptions to the legislation. They include a minimum of $10 per gift or a cumulative annual gift of $100, and there is no need to report discounts, rebates and product samples. wwAll of this has significant consequences not only for physicians but also for their patients. Many physicians participate in advisory boards and speaker programs sponsored by pharmaceutical companies and equipment manufacturers.

Penalties for not reporting range from $1,000 to an upper annual limit of $1 million for knowingly admitting the information.

These activities were often compensated for travel, lodging and physician time. Most physicians did not use these activities as a source of revenue but rather as an opportunity to educate in venues that otherwise, due to personal cost, would not be accessible.

Additionally, physicians often served as experts on advisory boards exploring new avenues for improved techniques, equipment or medications. Again, their time, travel and lodging were reimbursed. Under the Sunshine Act these activities are expected to significantly be curtailed. It is unlikely that physicians will use their own ever shrinking resources to pay for the travel and other expenses to contribute to these activities. This may decrease the physician knowledge base and slow the development of products. There are strategies to overcome these limitations but, this will likely generate addenda to the current Act to close these avenues. Physicians and institutions should educate themselves and comply with all of the regulations. Strict enforcement of these regulations is expected. Your medical societies will continue to serve as a source of information.

Dr. Miyamoto is president of PCMS.

Proposed Changes to the Medicare Physician Fee Schedule for 2014

Fee schedule

- Proposed rule does not include any provisions on the fee schedule update or SGR. In March, CMS estimated the fee schedule update would be -24.4%.
- New geographic practice cost indices (GPCIs) using updated data.
- Changing weights assigned to each GPCI – work, practice expense and malpractice. Work to be increased and PE to be decreased in weights
- GPCI work "floor", currently at 1.0 will be eliminated and will result in 51 localities having a work GPCI below 1.0
- Misvalued Codes – Adjustment of more than 200 codes where Medicare pays more for the services furnished in an office than in an outpatient hospital department or ASC – stating that the expectation is that resource costs required to furnish a service are higher in a hospital or ASC, which has to meet COP and coverage and hospital's requirement for stand-by capacity.

Primary Care and Complex Chronic Care Management

- Propose to pay for non-face-to-face complex chronic care management services for patients who have two or more significant chronic conditions, beginning in 2015.
- Services will include regular physician development and revision of a plan of care, communication with other treating health professionals, and medication management.
- Two separate G-codes will be developed for establishing a plan of care and furnishing care management over 90-day periods.
- Patients must have had an Annual Wellness (or and IPPE, initial preventive physical exam) as the AWE can serve as an important foundation for establishing a plan of care.
- Proposing that services be provided by a single practitioner and that the beneficiary must consent to receiving these services over a one-year period.
- CMS will establish practice standards necessary to support payment. Potential standards would include access to an HHS certified EHR at the time of service and written protocols, such as steps for monitoring medical and functional patient needs. CMS may recognize PCMH designation as one means for a practice to demonstrate that it has met the requisite practice standards.

Telehealth services

- Proposal to modify regulations for originating sites to include HPSAs located in rural census tracts of urban areas.
- Will add transitional care management series to list of eligible telehealth services.

Physician Quality Reporting System (PQRS)

- Incentives through 2014 and penalties to begin in 2015
- Addition of 47 new individual measures and 3 measures groups to fill existing gaps and to retire a number of claims-based measures to encourage registry and EHR-based reporting
- Changes to Individual Reporting:
  - Increases number of measures required to be reported via claims or registry from 3 to 9
  - Reporting threshold for individual measures via registry changes from 80% to 50%
  - Eliminates the claims-based measure groups reporting option

Meeting the 2014 criteria avoids 2016 penalties

- Criteria for using Clinical Data Registries:
  - Report at least 9 measures to the registry covering at least 3 of the National Quality Strategy domains
  - Report each measure for at least 50%
- Group Practice Reporting Option (GPRO)
  - Eliminates GPRO web interface reporting option for groups 25 to 99
  - Adds Certified Survey Vendor Reporting for 25+ groups where CG CAHPS (Clinician and Group Consumers Assessment of Healthcare Providers and systems) reporting would meet criteria for reporting in 2014 and avoid 2016 penalties
  - Increases the number of measures from 3 to 9 and 50% threshold (instead of 80%) for groups reporting individual measures via registry

Medicare EHR incentive program

- CQM Reporting using Qualified Clinical Data Registries
- Comprehensive Primary Care Initiative (CPCI) practice sites who successfully submit at least 9 CQMs , covering 3 domains will satisfy the CQM reporting component of MU if the practice successfully submits and meets the reporting requirements of the CPCI

Physician compare website

- Expands public reporting of 'measure performance ratings' of groups using GPRO web interface for reporting PQRS and for ACOs participating in a Medicare Shared Savings Program
- Will provide a 30-day preview period prior to publication
- Will also report CG-CHAPs for GPRO practices of 100+ and ACOs using the GPRO web interface reporting method

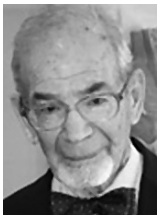
Physician Value-Based Payment Modifier

- Propose to lower the threshold from 100+ to 10+ for group size that will be subject to the VBPM in 2016 (instead of 2017 as previously proposed) Estimates to represent nearly 17K or nearly 60% of physicians to now be under the VBPM in 2016.
- Application of modifier determined by a two-category approach based on PQRS participation
  - Category 1 includes physician groups of 10+ that successfully report PQRS GPRO for 2014 (avoiding 2016 standing downward adjustment) OR groups of 10+ physicians who did not use GPRO to report in 2014, but at least 70% of the docs within the group successfully reported PQRS (individually) will not be subject to downward adjustment by VBPM.
  - Category 2 includes groups of 10+ not meeting either of the above two standards

For the complete report, visit *www.philamedsoc.org*

pcms people

Valerie Arkoosh, MD, candidate for PA 13 Congressional District appeared before the September PCMS Board of Directors meeting. From left: Curtis Miyamoto, MD, President; Dr. Arkoosh; Harvey Lefton, MD, Immediate Past President; and Anthony Padula, MD, President Elect.



In recognition for his lifelong commitment to providing continuing medical education, Temple Universery Hospital has established the First Annual **Albert J. Finestone,** MD, Medical Grand Rounds Lecture in the Department of Medicine.

Harvey L. Nisenbaum, MD, FACR, FAIUM, FSRU, Chairman, Department of Medical Imaging at Penn Presbyterian Medical Center, was elected President-Elect (2013-2015) of the World Federation for Ultrasound in Medicine and at its World Congress 2013 Meeting in Sao Paulo, Brazil.

Change of address?

Phone 215-563-5343, Ext. 102 with any change of address, phone, fax number, or e-mail address.

Host your event at PCMS

Host your next party or conference/seminar at PCMS headquarters. Ample free parking. Contact Louise Eder on 215-563-5343, Ext. 107 to schedule an appointment.

Official Publication of the Philadelphia County Medical Society • www.philamedsoc.org

Philadelphia Medicine
2100 Spring Garden Street
Philadelphia, PA 19130

PRSRT STD
U.S. POSTAGE
PAID
SOUTHAMPTON, PA
PERMIT NO. 225