

NEWS BREAK

April 9, 2010

Medicare SGR Update

Congress will return to Washington from its Spring Recess on Monday, April 12. One of the first tasks facing the Senate will be a cloture vote scheduled for 5:30 Monday evening on H.R. 4851, which extends a number of expiring programs, including a reprieve from the 21 percent Medicare physician payment cut that was originally scheduled to take effect on January 1. Other expiring programs addressed by the bill include extended unemployment insurance benefits and COBRA subsidies for the unemployed.

As reported previously, the most recent reprieve from the 2010 payment cuts expired on April 1. Subsequently, the Centers for Medicare and Medicaid Services (CMS) instructed its carriers to refrain from processing any claims for services provided on or after April 1 for 10 working days, to minimize administrative complications and other disruptions that would result from calculating payments that reflect a rate reduction that Congress is expected to overturn. That 10 day grace period expires on Wednesday, April 14. If Congress fails to pass H.R. 4851 or similar legislation by close of business on Wednesday, Medicare law will require carriers to begin processing claims for services provided in April with the 21 percent cut.

MMCMS has sent a letter to Congressman Cardoza, encouraging him to stop the SGR cut and repeal the SGR once and for all; however all representatives need to hear from you as well. Your Congressional and Senate representatives are currently on recess in your community. Call them locally to ask that they fix the SGR permanently and immediately restore the 21.3% cut that took effect on April 1st. Share your personal perspective on the effect that these repeated cuts and SGR's unfair payment limits have on your ability to treat new and established Medicare patients. Following is the local contact information:

District 18, Merced County	Congressman Dennis Cardoza	209-383-4455	Fax: 209-726-1065
District 19, Mariposa County..	Congressman George Radanovich	209-579-5458	Fax: 209-579-5028
	Senator Barbara Boxer	415-403-0100	Fax: 202-224-0454 (DC)
	Senator Diane Feinstein	415-393-0707	Fax: 415-393-0710

CMA's Newest Publication "CMA Practice Resources" is Now Available

The maiden issue of CMA Practice Resources (CPR) is now available. The free monthly e-mail bulletin from the reimbursement experts in CMA's Center for Economic Services is full of tips and tools to help physicians and their staff improve practice efficiency and viability.

If you or your staff would like to subscribe, you can do so at <http://www.Cmanet.org/news/cpr> or by contacting MMCMS for a form.

Much Has Been Happening on the HIT Front

For the past several weeks, while health reform has been dominating the news, there has also been a flurry of activity around health information technology (HIT) issues. The federal government and the State of California have been moving quickly to outline the implementation of the HIT-related portions of the Stimulus Act.

In case you missed any of the recent actions, here are the highlights:

CMA files comments on draft Federal definition of “Meaningful Use.”

As you are aware, in order for physicians to receive federal electronic health records (EHR) incentive payments, they will have to demonstrate “meaningful use” of a “certified” EHR system. In January, the Office of the National Coordinator for Health IT (ONCHIT) released a draft regulation that would define “meaningful use.” Specifically, the draft regulation outlines clinical quality measures that physicians would have to report to Medicare.

CMA filed formal comments during the official comment period which closed on March 15. In general, CMA is concerned that the draft definition is too ambitious, and will be too difficult for many physicians to achieve. Also, CMA is concerned that, as written, the regulations take an “all-or-nothing” approach (physicians will have to achieve absolutely every criteria in order to receive any incentive payments).

CMA would like to thank the Council on Information Technology for helping to guide the association's response to this regulation.

ONCHIT releases regulations describing how EHR systems will be certified.

On March 9, ONCHIT released a corresponding regulation, describing the process by which they will certify EHR systems to allow physicians to demonstrate meaningful use. In the regulations, ONCHIT attempted to balance the need for systems to be certified very quickly with the desire for a comprehensive program.

Under the draft regulations, ONCHIT would create two separate programs. In the Temporary Certification Program, a non-profit entity or entities would be named to test and certify EHR systems. This “ONC-ATCB” as it is known would have to move very quickly, and would be actively certifying products as early as late spring/early summer 2010.

ONCHIT would then begin the process of developing a more robust permanent certification program. The permanent program would likely begin its work sometime in 2011.

The comment period for the Temporary Certification Program runs until April 9, and the comment period for the Permanent Program runs through May 10.

State of California releases Health Information Exchange (HIE) Operational Plan. CMA files comments in response.

The State of California has received over \$38 million dollars to design and implement a health information exchange (HIE). An HIE is an internet-based system that connects EHR systems and facilitates exchange of information between physicians, other providers, and facilities. Connection to an HIE is one criteria physicians will have to demonstrate in order to achieve meaningful use.

On March 9, the State of California released its draft operations plan for the State HIE, with a public comment period that closed Monday, March 22. CMA filed comments expressing our desire that HIE be made workable for physicians, and that the development of the system be narrowly focused to help physicians achieve meaningful use.

State of California forms Governance Entity to oversee HIE. Dr. Cassidy is named to represent CMA.

To oversee the development of the state HIE, the state has created a new entity, named Cal eConnect. CMA's president, Brennan Cassidy, MD, has been named to represent CMA on the Cal eConnect board. Cal eConnect's first meeting took place Thursday, March 25.

CalHIPSO (formerly Cal-REC) begins to take shape.

Based on public feedback, Cal-REC was recently renamed as the California Health Information Partnership and Services Organization, or CalHIPSO. We're also pleased to announce that CalHIPSO now has a full-time Executive Director, Speranza Avram. Speranza has an extensive background in HIT issues, with a special focus on rural communities.

Along with the new name, CalHIPSO's business model is also undergoing a facelift. CalHIPSO staff met with staff from ONCHIT on March 10-12, and came away with many new insights about how the federal government views the "REC/LEC" structure we have proposed. Based on our new understanding, the CalHIPSO team is working to tweak our model.

For copies of the regulation summaries and CMA comments, please contact MMCMS.

A Shot in the Reimbursement Arm

CMA is sponsoring a bill (AB 2903, Perez) that requires health plans and insurers to **fully reimburse** physicians for direct and indirect costs associated with acquiring and administering recommended vaccines that are already required to be covered. The bill protects patients by stopping health plans and insurers from charging co-payments, deductibles or other out-of-pocket expenses that deter parents from immunizing their kids. Health plans and insurers would not be allowed to include the cost of immunizations in a policy's dollar limit provision. CMA is cosponsoring this bill with the American Academy of Pediatrics and the California Academy of Family Physicians.

