

NEWS BREAK

May 29, 2009

CMA Calls for Cutting Waste from Medi-Cal, Using Savings to Fund Health Care for Children

Sacramento – The California Medical Association praised state lawmakers for ordering an audit of Medi-Cal’s costly Treatment Authorization Request (TAR) process Wednesday and said the state should streamline the program and use the savings to pay for health care for children.

The Joint Legislative Audit Committee voted 9-0 to authorize the audit, as requested by Assemblymen Ted Lieu, D-Torrance, and Jim Beall, D-San Jose, and advocated by CMA. State Auditor Elaine Howle said it would take four months to complete.

The TAR process runs the state as much as \$1.5 billion a year to administer, by some estimates, and creates considerable paperwork for physicians serving Medi-Cal patients. According to a 2001 California HealthCare Foundation report, few TARs are rejected. Therefore, the process does nothing more than delay treatment and increase administrative costs for more than nine out of 10 cases.

“The current TAR process is a lose, lose, lose proposition for the state, the physician providers and the patients,” Dr. Ted Mazer told the legislative committee. Mazer is a San Diego ear, nose and throat specialist who is a member of the CMA Board of Trustees. “It is cumbersome, wasteful of financial and personnel resources, inefficient and off-putting to physician participation.”

Like many doctors, Dr. Mazer has quit taking Medi-Cal patients because of the burden posed by bureaucratic requirements and poor funding. The result of low doctor participation is reduced access to health care for California’s poor.

“At a cost of over \$1 billion – enough to fund the Healthy Families program and prevent Medi-Cal cuts proposed by the governor – the TAR program eats up a lot of state money for no apparent value,” Mazer said. “It’s time to do a cost-benefit analysis of this program and devote the money to something worthwhile, such as health care for children.”

Gov. Arnold Schwarzenegger has proposed eliminating the Healthy Families program, which delivers health care to 900,000 children from low-income families, to save \$247.8 million in state spending. The reduction makes little sense, as the state receives \$2 in federal funding for every \$1 spent by the state on the program.

Over the last five years, the TAR process has been a target for review; however, changes have yet to materialize. The need to change the TAR system was recognized by a 2003 Medi-Cal Policy Institute report and in the 2005 California Performance Review. Both stated that the process was slow, inefficient, inconsistent and outdated.

CMA Has Been Working for You!

CMA has been very busy this year compiling toolkits and preparing webinars to help you in your practice. Following is a listing of some of the toolkits that are available and a listing of the FREE webinars that are coming up. Also, the webinars that have already occurred have been recorded and can be viewed in the webinar archive of the member's only portion of the CMA website.

Toolkits Available

- Red Flag Rules
- Balance Billing
- Best Practices
- Blue Shield

To access the toolkits go to <http://www.cmanet.org/> and click on the toolkit that you are interested in (you may be required to logon with your member ID and password) or contact MMCMS, 209/723-2976, to have the toolkit e-mailed or mailed hard copy.

Webinars to Come

June 04 Webinar: *How the Stimulus Bill Impacts Your HIPAA Obligations 12:30-1:30*

The American Recovery and Reinvestment Act of 2009 (the "Stimulus Bill") has added new HIPAA requirements. These will affect existing HIPAA policies and procedures and in some cases require new forms and compliance tasks. The stimulus bill also creates a national standard for detecting identity theft and reporting security breaches. This webinar will review key points and provide physicians with practical steps to update their compliance programs.

June 18 Webinar: *"Medical Staff Challenges for the Future: Are we helping or hurting ourselves?" 12:30-1:30pm*

This presentation will explore recent court cases and legislative efforts governing peer review and EMTALA, developments concerning Patient Safety Organizations, and strategies to promote medical staff self-governance.

July 23 Webinar: *"Health Care Policy 101" 12:00-1:00pm*

Learn about the basics of policy, health care reform, and other topics affecting the practice of medicine.

To access the webinars go to <http://www.cmanet.org/calendar/> and click on the webinar that you are interested in to register (you may be required to logon with your member ID and password). **CMA webinars are FREE to members and their staff!!!**

