Medical Alert

Prescriptions

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Stimulus Package Includes Incentives for Physicians

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A sweeping $787 billion stimulus package aimed at reinvigorating the U.S. economy was signed into law by President Barack Obama on February 17. The American Recovery and Reinvestment Act of 2009 (ARRA) was designed to create jobs, encourage consumer spending, improve essential infrastructure, and strengthen the safety net for Americans affected by the recession. The legislation contains provisions pertaining to physicians and other health care providers, including new health information privacy and security requirements, and incentives for medical practices that adopt and implement an electronic health records (EHR) system.

Title XIII of ARRA, the Health Information Technology for Economic and Clinical Health Act (HITECH), strengthens Federal privacy and security standards of the Health Insurance Portability and Accountability Act (HIPAA). Under HITECH, health care providers will be required to notify patients when there are grounds to suspect that their unsecured protected health information has been breached. Under previous HIPAA rules, physicians were not required to notify patients if the disclosure was related to treatment, payment, or health care operations. Now, physicians who use or maintain EHR systems will be required to account for such disclosures. HITECH also extends HIPAA's administrative, physical, and technical safeguard requirements for electronic protected health information to business associates of HIPAA-covered entities, such as billing companies or law firms.

In addition, HITECH provides substantial financial support for health care providers that adopt and use EHR systems. Starting in 2011, physician practices that qualify as

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Getting Paid for Providing Preventive Care

Most physicians would agree with the old adage, "An ounce of prevention is worth a pound of cure." When it comes to reimbursements from insurers and other payers, however, the opposite is often true. While some insurers are changing their reimbursement formulas to create incentives for physicians to provide preventive care and wellness services, reimbursements still tend to be higher for treatment of acute illness or chronic conditions than for counseling and screening generally healthy individuals.

Without incentives for providing preventive care, how can physicians find time to help prevent their patients from getting sick in the first place? While it may not be possible to spend a great deal of time counseling and screening every patient, there may be ways to address the most crucial issues—and to get paid for these efforts.

When patients seek treatment for a current illness, discussing potential secondary health problems can be a challenge. The best opportunities for identifying potential problems and discussing preventive measures are usually when patients come in for a routine screening, a yearly physical, an immunization, or a minor health problem. Many practices send out reminders to patients who are due for an annual check-up or other preventive services.

While patients are in the waiting room, have them fill out a questionnaire about any health issues that are of concern to them, both currently and in

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Stimulus Package Includes Incentives for Physicians

"meaningful users" of certified EHR systems will be eligible to receive up to $44,000 in incentive payments, per physician, over five years in the form of increased Medicare and Medicaid premiums. Physicians who are meaningful users of EHR systems will be eligible to collect payments of 75% of the year's Medicare and Medicaid charges up to $18,000 in 2011 or 2012, with subsidies tapering off over the five-year period. Physicians with a large number of Medicaid patients may be eligible to receive additional subsidies for EHR usage.

While the exact definition of "meaningful user" will be determined by the secretary of Health and Human Services (HHS), the criteria for a qualifying EHR system are generally expected to include the capacity for electronic prescribing, electronic exchange of medical records with other providers, the interoperability of systems, and quality reporting. The electronic records will contain the demographic information and medical history necessary to make clinical decisions. To receive the maximum available incentive payments, physicians must qualify as meaningful users starting in 2011. Incentive payments for each physician will be based on the amount each provider bills to Medicare and Medicaid.

After 2015, there will be no further incentive payments for EHR usage. In addition, physicians who do not qualify as meaningful users by 2015 will receive reduced Medicare and Medicaid payments of 1% in 2015, 2% in 2016, and 3% in 2017, as well as up to 5% thereafter if HHS determines that the total EHR adoption rate is still below 75%.

Ted Epperly, MD, president of the American Academy of Family Physicians, praised the HITECH provisions, observing that EHR systems "will increase efficiency, reduce errors, and enhance coordination of care for their patients."

"By establishing a structure for developing interoperability standards and ensuring the privacy of medical records, this law takes an important step in resolving the obstacles to universal adoption of health information technology," Dr. Epperly added.

Joseph Heyman, MD, board chair of the American Medical Association, also expressed his organization's support for the EHR subsidies included in the economic stimulus package. "The significant investment in HIT will pave the way for widespread adoption, and we look forward to working with the new administration to ensure that it is implemented in a manner that will work in physicians' offices and provide maximum benefit to both patients and physicians."

Do Flexible Schedules Fit into Your Practice?

The practice of medicine can be demanding, requiring many physicians to work far more than the standard 40-hour workweek. But a growing number of doctors are opting to move in the other direction, reducing the number of hours they spend at the office for family, health, or personal reasons. Given the shortage of qualified physicians, your practice may want to consider ways to accommodate doctors seeking work-life balance through flexible or reduced schedules.

While mothers of young children are among those physicians who may wish to move to part-time schedules, others may also be looking for greater flexibility in their professional lives. Many fathers now want to become involved in raising their children, and baby boomer physicians may wish to cut back on hours prior to taking full retirement. Others may have professional commitments outside of their practices, such as research, consulting, or teaching.

So, what is the best way to compensate physicians who work part-time? The standard solution is to adjust the pay to reflect the number of hours worked. If, for example, a physician lowered the number of hours spent seeing patients by 50%, his salary could be reduced by 50%, as well. Yet, the actual cost of employing that doctor might be higher than his full-time colleagues after factoring in the cost of providing benefits. Therefore, some practices adjust salary using a formula that reflects the differences in overall compensation costs.

On the other hand, your practice could pay each physician, regardless of the number of hours worked, based on productivity. Each physician could receive credit for revenues generated, with a proportion of office overhead subtracted from this amount. Some practices divide office expenses equally among all the physicians, while others adjust the amount owed based on the number of hours worked using various formulas. It is, of course, important that the compensation formula chosen is considered fair by the physicians in your practice.

To minimize potential conflict between full- and part-time physicians, your practice may choose to extend certain privileges to doctors who work full schedules. For example, the practice may establish a policy that full-time physicians will advance more quickly along the partnership track, or that part-timers will be excluded from the track altogether. Part-time physicians may be required to take on their fair share of after-hours call duty, or have their compensation adjusted accordingly.

Scheduling patient appointments can present problems for practices with part-time physicians, especially if the availability of a particular doctor varies from week to week. Constantly changing schedules can be frustrating for administrators, patients, and physicians who may have to alter their own schedules at short notice. Difficulties can also arise if a doctor who had been working full-time moves abruptly to a part-time schedule. It may be necessary to assign some of the physician's patients to another doctor to ensure consistency and continuity of care. Practices may have staff physicians who are willing to adjust their hours to meet the needs of the practice, filling gaps left by physicians with varying hours, as well as those who are ill or on vacation.

Alternatively, two physicians could agree to share a single position and care for patients jointly. Besides allowing them to work fewer hours, physicians who job-share often appreciate the opportunity to collaborate and consult with another doctor. For such arrangements to be successful, the two physicians should share a similar style and approach to practicing medicine.

While it is sometimes necessary to offer physicians special scheduling arrangements, strive to establish a policy on part-time and flexible schedules and adhere to it to the greatest extent possible. A consistent approach can help to avert administrative headaches and resentment between physicians.

If physicians in your practice wish to reduce their hours, consider whether it is possible to outsource non-clinical tasks, hire a nurse practitioner to take on some of the duties of the physicians, or find other ways to improve and maintain efficiency. Through such innovative measures, the practice may be able to avoid the expense of recruiting another doctor, even as the number of physician hours worked decreases.

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terms of their future health. These responses, combined with a review of the patient's medical history, can bring to the forefront issues that may need to be addressed, such as smoking, weight gain, or the potential for developing diabetes. If a brief discussion reveals that further advice or intervention is needed, physicians may suggest an additional visit, or refer the patient to a specialist or to community resources that can assist with behavior modification or lifestyle changes before health problems develop.

Ultimately, of course, physicians would like to be reimbursed for the preventive care they provide, and they may do so by taking advantage of the preventive and wellness services covered by each insurer. Coverage guidelines and policies may vary greatly between payers, but most reimburse certain forms of preventive care, such as cancer screenings, cardiovascular disease screenings, and immunizations. To ensure that physicians are being compensated for the time devoted to wellness counseling, it would be helpful for them to be familiar with the guidelines in coding for these services. It is also important that they document all conversations related to prevention in the patient's file, as these records can help support coding for preventive medicine service during an evaluation and management visit.

More Physicians Using Smartphones

The number of U.S. physicians who use Internet-enabled "smartphones," such as iPhones and BlackBerries, jumped 20% between 2008 and early 2009, bringing the percentage of physicians who use the mobile devices to 64%, according to a study by health care market research firm Manhattan Research.

For the 2009 survey, a nationally representative sample of 1,900 U.S. physicians were asked about their adoption and usage of smartphones, personal digital assistants (PDAs), and other communication devices. Results showed that more physicians are now able to connect to the Internet over mobile devices, but they also continue to use computers to access medical and pharmaceutical resources throughout the day.

Physicians can access a wide range of features via their smartphones, including drug reference databases, dosage calculators, continuing medical education programs, and a host of clinical references. The share of doctors using mobile devices is expected to increase as more medical schools require PDAs in the classroom, researchers added.

"Physicians have always been advanced in terms of their mobile use," said Monique Levy, senior director of research at Manhattan Research. "Nevertheless, growth in smartphone ownership in the last year is remarkable. Mobile is delivering on its promise to allow doctors to be 'always on'—which is partly why so many doctors say the Internet is essential to their practice."

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