

# IMS Advocate

*published by the Iowa Medical Society*

January 16, 2009

## **Medicaid pay cuts possible**

Facing a state budget deficit, Governor Chet Culver recently required all state agencies to trim budgets by 1.5 percent for the rest of the fiscal year. Combined with a previous budget reduction, the Iowa Department of Human Services faces a \$25.7 million reduction in fiscal year 2009.

As a result, Iowa Medicaid's funding has been reduced by nearly \$11 million. However, this deficit may be offset if Congress increases its federal matching percentage for state assistance programs this fiscal year.

If Congress does not pass the increase, Iowa Medicaid will reduce payments (not reimbursement rates) to providers by four percent from March 1 – June 30, 2009.

## **2009 legislative leadership**

Legislative leadership for the House of Representatives and Senate in 2009 includes:

### House:

**Speaker:** Pat Murphy (D), House District 28, Dubuque

**Majority Leader:** Kevin McCarthy (D), House District 67, Des Moines

**Minority Leader:** Kraig Paulsen (R), House District 35, Hiawatha

### Senate:

**President:** John "Jack" Kibbie (D), Senate District 4, Emmetsburg

**Majority Leader:** Michael Gronstal (D), Senate District 50, Council Bluffs

**Minority Leader:** Paul McKinley (R), Senate District 36, Chariton

## **Are you plugged in to IMS advocacy efforts?**

As the 2009 Iowa Legislature begins, we know that health care issues will be hot topics for our elected officials. If you haven't already registered with our VoterVoice system, sign up now to stay in touch with us over the coming months. It's quick and easy to do – just visit [www.iowamedical.org](http://www.iowamedical.org), click on the "Legislative Advocacy" tab to the left, and then click on "Sign up for VoterVoice."

Once you register, you will receive e-mail alerts when we need your voice on issues before the legislature. When you register, VoterVoice will provide contact information for your elected officials so you can easily share thoughts on health care issues.

## **2009 legislative session brings opportunities, challenges**

IMS is already busy with the 2009 legislative session and a host of policy issues that IMS hopes to advance over the next few months. Below is a listing of some of the issues facing Iowa physicians. For more information on IMS priorities for 2009, visit [www.iowamedical.org](http://www.iowamedical.org), go to the Main Page under the "Legislative Advocacy" tab, and view the IMS "What We Believe" brochure.

**DHS Budget:** As state agencies consider ways to trim spending, the Department of Human Services (DHS) may be forced to reduce provider payments (see sidebar). IMS will work diligently to minimize budget impacts on Iowa's physicians.

**Reform Initiatives:** The legislature continues to discuss health reform issues. IMS supports expanded health care coverage for children, insurance parity for mental health and substance abuse coverage, and increased emphasis on wellness and prevention.

**Allied Health Practitioners (AHPs):** IMS will carefully scrutinize legislative efforts by AHPs. With patient safety in mind, IMS will oppose inappropriate scope of practice expansions. This year, IMS will once again oppose legislation that allows physician assistants to form professional corporations and employ their supervising physicians. Additionally, IMS will oppose efforts by the Iowa Physical Therapy Association to prevent physician employment of physical and occupational therapists.

**Medical Liability:** IMS will continue to push for Certificate of Merit legislation that will prevent wasteful litigation by filtering lawsuits that are unnecessary. IMS will vigorously oppose any changes to Iowa law that will adversely affect the tort liability climate.

## **AMA settles lawsuit with UnitedHealthcare re: Ingenix**

Nearly nine years after filing the lawsuit, the AMA entered into a settlement with UnitedHealthcare (UHC) after challenging UHC's flawed Ingenix database. UHC agreed to pay \$350 million to insured individuals and out-of-network providers for out-of-network claims since March 15, 1994. UHC also agreed to abandon the Ingenix database and pay \$50 million to support an independent database for determining health insurers' out-of-network reimbursement rates. The settlement allows use of the Ingenix data until the new database is operational. In the settlement, UHC admitted no wrongdoing.



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## ICD-10 implementation pushed back to 2013

The U.S. Department of Health and Human Services (HHS) published a final rule in the January 16, 2009, *Federal Register*, which changes the implementation date for the ICD-10-CM and PCS codes sets to October 1, 2013. This adds two years to the 2011 deadline in the proposed rule. In a second final rule, HHS is also extending the deadline to adopt version 5010 of the X12 standard for HIPAA-compliant electronic claims transactions. Providers will have until January 1, 2012, to make the 5010 switch.

## Watch reconsideration date in UHC Premium Designation letters

UnitedHealthcare (UHC) mailed letters to physicians nationwide on December 23 advising them of their status under UHC's Premium Designation program and directing physicians to data used to determine their status. Physicians denied designation are advised of a date by which they can seek reconsideration; for most physicians, that date is January 27, 2009. Designation results will not be publicly shared until at least March 4. More than 3,000 Iowa physicians received letters.

## New I-9 form must be used beginning February 2, 2009

The U.S. Citizenship and Immigration Service (USCIS) released a rule on December 17, 2008, that requires employers to use a newly-developed Form I-9 and to utilize only those documents listed as acceptable for verification purposes. A document can no longer be used if it has expired. "Receipts" (i.e., showing application for a new document) can be accepted for verification only in specified circumstances and only for short periods of time.

The new form and acceptable documents must be used on or before February 2, 2009, for new hires and for employees subject to re-verification. The USCIS advises: "All U.S. employers are responsible for completion and retention of Form I-9 for each individual they hire for employment in the United States. This includes citizens and noncitizens." Go to [www.uscis.gov/i-9](http://www.uscis.gov/i-9) for the new form and a list of acceptable documents.

## CMS provider satisfaction survey

The CMS annual Provider Satisfaction Survey is underway for randomly selected Medicare providers, including physicians. Results from 2008 show physicians for each of the seven survey categories have a low average satisfaction level. Provider enrollment and the appeals process received the lowest scores. Due to the significant issues physicians are experiencing with Medicare, physicians are strongly encouraged to complete the survey if requested. More information is available at [www.cms.hhs.gov/MCPSS/](http://www.cms.hhs.gov/MCPSS/).

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