

IMS Advocate

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Health reform luncheon

Can't attend all of the IMS Annual Meeting April 17 & 18? Then consider just coming for lunch on Saturday to participate in a lively health care reform discussion.

HHS Secretary Kathleen Sebelius is the invited featured speaker, and she will be joined by Senator Charles Grassley and Rep. Bruce Braley to discuss what health care reform means to patients and physicians as well as the opportunity to repeal the SGR formula. To attend, go to www.iowamedical.org/hod and click "Register Now."

Health reform GPCI fix

Language in the recently passed federal health reform legislation will provide Iowa physicians with some relief from geographic disparity in Medicare payments.

Iowa's Work GPCI will return to 1.0 and Iowa's Practice Expense (PE) GPCI will increase from 0.870 to 0.935. The combined impact on Iowa physician reimbursements due to these increases is about five percent in 2010.

The health reform bills included language from Iowa Sen. Charles Grassley and Rep. Bruce Braley that called for the improvements to the PE GPCI. Additionally, the reform bills require federal studies into the effects of GPCIs.

Iowa physicians are grateful to Iowa's congressional delegation for these necessary fixes to Iowa physician payments under Medicare.

2010 Iowa legislative summary

The Iowa General Assembly adjourned on Tuesday, March 30. As promised, legislative leaders ended the session early and headed back to their districts to prepare for an election year. The session was marked by stark budget realities that permeated most decisions; in spite of this, legislators developed what they believed to be a balanced budget. Like every legislative session, there were some highs and lows for IMS:

Positive for IMS

IowaCare. The IowaCare program will now offer regionalized care. Additionally, for the first time since IowaCare was enacted in 2005, the program will offer payment to UIHC physicians who perform much of the specialty medical services in the program.

Medicaid. Despite the grim budget, legislators did not further cut provider reimbursements to Medicaid, as some thought could occur.

Health care inspections. The Department of Inspections and Appeals must disclose its investigation of potential adult abuse to the facility and the health care worker. Also, individuals will be able to appeal a finding before placement on an abuse registry.

Texting ban. Minor drivers under the graduating licensing program are prohibited from using cell phones while driving. All Iowans are prohibited from texting and driving.

Scope of practice. IMS successfully fought off attempts to license direct-entry lay midwives and naturopaths.

Laboratory tax exemption. Regional labs in Iowa will be exempt from state sales and use taxes, which could open the door for new lab construction.

Negative for IMS

Chronic interventional pain medicine (CIPM). Legislators would not ensure public safety by declaring CIPM as solely the practice of medicine.

Mental health/Substance abuse (MHSA) parity. Legislators did not pass a bill that would provide insurance parity for Iowans with these conditions. However, in a smaller victory, legislation was passed that would ensure MHSA treatments for veterans.

Graduated driver licensing. A bill that would have created a stricter driver licensing program for new drivers failed to find enough support.

PA incorporation. Legislation was passed allowing PAs to incorporate with their physicians. IMS believes this can adversely affect the required supervisory relationship.

Of interest to IMS members

Seatbelts for minors. A bill was passed that requires minors in virtually all circumstances to wear seatbelts in a vehicle.

Medication therapy management (MTM) pilot project. State employees will be part of a pilot project to measure the cost-savings and efficacy of an MTM program.

Medical marijuana task force. The Legislative Council may set up a task force that would study and make recommendations on reclassification of marijuana as a Schedule II substance and potential implementation and administration of medical marijuana.



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Wellmark issues 90-day notice of contract changes

Wellmark will mail notices to physicians setting forth fee schedule changes to be effective July 1, 2010. Wellmark will be using the 2010 Medicare RVUs with modifications, including the transitional facility and non-facility work, practice expense, and malpractice RVUs and excluding the GPCIs. Wellmark's physician update factor is 2.07 percent, adding approximately \$20 million to Wellmark's physician fee schedule. Wellmark will follow Medicare's current policy on consultation codes, eliminating use of codes 99241-99245 and 99251-99255. Wellmark explains that it will minimize the financial impact of this change by: 1) significantly increasing E/M RVUs coupled with a small increase to the Wellmark E/M conversion factor; and 2) using multiple conversion factors.

IMS formally protested Wellmark's proposed elimination of consult codes. In response, Wellmark explained that it could not factor out those RVU increases to pay for consultation codes without negatively affecting Wellmark's E/M conversion factor. Not following Medicare also would mean administrative burdens, especially in coordination of claims for Medicare Secondary Payer (MSP). Wellmark acknowledges that certain specialties will be financially impacted by elimination of consult codes but believes that appropriate billing of office visit codes will minimize that impact. If Medicare reverses its consultation policy, Wellmark will follow suit. Wellmark's explanation for its decision is included in its notice to physicians. The communication also will be posted on its Physician Advisory Committee Web site soon at www.wellmark.com/Providers/CommunicationsAndResources/PAC.aspx.

Iowa insurance bill creates greater oversight

The Iowa Legislature passed *SF 2201* this year, which requires commercial health plans to notify policyholders of an application for a rate increase that exceeds the average annual health spending growth rate identified by CMS. Additionally, the bill requires the insurance commissioner each year to convene a work group, including providers, to consider ways to reduce the cost of providing health insurance coverage and health care services.

The bill further directs the Iowa Insurance Division to annually issue a report to the governor providing: 1) aggregate loss ratio data for each health plan; 2) rate increase data; 3) health care expenditures in the state and the effect of such expenditures on health insurance premium rates; 4) current capital, surplus, and reserve amounts of each health plan; and 5) a listing of medical trends affecting health insurance costs in the state. *SF 2201* awaits the Governor's signature.

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