

Impact of Federal Regulation on Healthcare Providers

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Background 1997–2008

- Increasing cost due to increasing documentation requirements and regulations
- Decreasing Reimbursement Medicare and Medicaid
- Cost ICD-10 codes mandated 2008 (BUSH) start 2014 estimated costs \$1.5 to \$8.3 billion with providers facing from minimum \$83,000/provider to \$2.7 million/large clinic in costs (5 minutes/patient or 3-4% more MD time)
- Limits on number medical school students and caps on residency enrollment by government.

ACA/Stimulus Bills

- IPAB determines fees for providers(2019)
- AHRQ provides patient and physician educational materials on most current research.
- FCCCER (Federal Coordinating Council for Comparative Effectiveness Research) (ARRA)Cost effective medical services: my concerns re screening guidelines for cancer; Breast, Cervix, PSA (USPSTF)
- 159 Committees: 20,000 new rules/regulations already
- 18 different types of audits Medicare, and Medicare RAC, Medicaid, and Medicaid RAC, 75 HEDIS quality measures, NCQA, insurance companies (we bill 120 different entities), etc. facing providers

Medicaid

- According to multiple studies completed by Johns Hopkins, the Journal of the National Cancer Institute, Columbia-Cornell, the University of Pennsylvania, the University of Pittsburgh and the American Academy of Cardiology. Medicaid surgical patients have far worse health outcomes than those with private insurance. In fact, in the largest study of it's kind (with over 800,000 participants) the University of Virginia found that Medicaid surgical patients are 97% more like to die than surgical patients with private health insurance, and 13% more likely to die than those with no insurance. The Medicaid program denies patients access to 40 percent of physicians, yields poorer health outcomes, and higher rates of infant mortality. (Dr. Tom Coburn, US Senator)
- Limited formularies, less time with providers, limits on services, decreasing reimbursement, increasing audits, more rules and regulations, all contribute to this problem

ACA

- ANTHC/ANMC funding
- Children until 26, covers preexisting conditions
- Increased cost insurance due to government mandated coverage, and 40% taxes on that insurance estimated to hit 100% of us in private Alaska market in 2018, eliminates HSAs which help control costs (Indiana), fines and taxes \$95 and up to 2.5% income, small business reporting of health insurance
- Marketplaces/exchanges start Oct 2013 in Alaska ODS and Blue Cross offering insurance through federal exchange 20 page form for patients, penalties and repayment of subsidies if income exceeds set levels

Patients

- Increasing health insurance premiums due to mandates by government of covered services, coverage of pre-existing illnesses, and hidden taxes on premiums
- Non coverage of spouses by employers
- Cut backs in hours of employment <30 hours or <120 days if over 50 employed
- Insurance companies pulling out of markets (no individual OB policies available for purchase)
- Taxes increasing (18+ new to help pay for ACA)
- Harder to access MDs, higher costs for services

Providers

- Nationally over 60 percent of physicians would retire today if they had the means.
- Over 26% nationally not taking Medicaid due to low reimbursement, restricted formularies and services, audits, rules and regulations, liability risk;
- 52 percent of physicians have limited the access Medicare patients;
- In the next one to three years, over 50 percent of physicians plan to cut back on patients, work part-time, switch to concierge medicine, retire or take other steps that would reduce patient access to their services.
- Providers spend over 22 percent of their time on non-clinical paperwork;
- Over 59 percent of physicians indicate passage of the Patient Protection and Affordable Care Act (i.e., "health reform") has made them less positive about the future of healthcare in America
- Over 47 percent have significant concerns that EMR poses a risk to patient privacy (survey over 13,500 providers by Physicians Foundation 2012)

Impact Providers

- Increasing workload, decreasing reimbursement, 16.6% fewer patients than in 2008 (EHRs, documentation, time doing pre-authorizations, audits)
- 50% providers over 50 in Alaska, 67% of providers planning to opt out of Medicare/Medicaid or retire as ACA enacted in survey 400 MDs Anchorage;
- 60% facilities are short primary care MDs in survey of 400 managers by Merritt Hawkins 2013
- Nationwide shortage of Providers over 91,000 by 2020 (AAMC)
- 57% providers in private practice 2000, 33% est. 2013 (increasing costs, average Medical student debt \$175,000, most want salary now)
- 1950s 75% MDs belonged to AMA; now 15% MDs in US have membership in AMA (dropped with support ACA)

Solutions

- Allow HSAs for people of all ages
- S 1099 Patient Choice Act/ Health Freedom Acts
- Murkowski Medicare Bill
- Less rules and regulations
- Educational, not punitive audits
- Allow concierge medicine
- Liability reform
- Support WWAMI, Increase residency slots, Alaska student loan program