# POLICY & PRACTICE

## Kahn to Retire From ADA

The American Diabetes Association has announced that Richard A. Kahn, Ph.D., its chief scientific and medical officer, will retire in June. Dr. Kahn has been with the ADA since 1985; he spearheaded the association's publication of clinical practice guidelines. He also provided leadership for the association's consensus-development conferences. "No one who has worked directly with Dr. Kahn can doubt his passion for the science and medicine of diabetes or his dedication to working toward a cure," said Larry Hausner, the ADA's CEO. Dr. Kahn will consult on various ADA projects through 2009.

## Diabetics' Costs Are Higher

A 50-year-old person newly diagnosed with diabetes spends an average of $4,174 more on medical care per year than a person the same age without diabetes, according to a study by RTI International, a Research Triangle Park, N.C., research firm. The diabetes patients' costs increase by $158 every year after diagnosis, on top of health care cost increases normally associated with aging. Most of the extra burden comes from diabetes-related complications, such as heart and kidney disease, the researchers found in their study, which they published in the December issue of Diabetes Care. "The good news is that many of these costs could be contained through proper diabetes management and lifestyle changes," said economist and lead researcher Justin Trogdon, Ph.D. "Numerous studies show that losing weight and increasing physical activity, along with maintaining proper blood glucose levels, can substantially delay or reduce the risk for diabetes-related complications. What our study does is to point out that there is also a cumulative, financial impact to the progression of this disease." The study was funded by the Centers for Disease Control and Prevention.

## RAC Program Heavily Criticized

Medicare's effort to recover overpayments made to physicians and hospitals and to make good on underpayments—dubbed the Recovery Audit Contractor (RAC) program—was lambasted by members of the Practicing Physicians Advisory Council (PPAC). The program is currently on hold while the Government Accountability Office studies whether the Centers for Medicare and Medicaid Services has implemented it properly (see story, p. 21). During a demonstration project, however, RAC auditors found $1 billion in improper payments among $317 billion worth of claims, a CMS official reported to PPAC. As of July 2008, about 7% of those determinations were overturned on appeal. Once the program is restarted—which is expected by February—there will be limits on the number of years of claims an auditor can examine and how many records can be requested from practices of various sizes. Even with those plans, PPAC panelists recommended further limits and suggested that the CMS require auditors to reimburse providers for fulfilling records requests. Also, more information should be available on the appeals process, said PPAC members.

## Medical Emissions Curbed

The Environmental Protection Agency has proposed tougher air pollution standards for medical waste incinerators, which environmental groups said have been among the country's worst emitters of mercury and dioxins. The new rule, which is subject to public comment until late January, resulted from an 11-year legal challenge to existing standards by the environmental groups Earthjustice, the Sierra Club, and the Natural Resources Defense Council. Earthjustice attorney Jim Pew said in a statement that incineration of medical waste has shifted from individual hospitals to commercial incinerators. Pollution reductions at these larger facilities will be significant under the new rules, which is especially good for nearby communities, Mr. Pew said.

## CMS Launches Enrollment Site

A new Internet-based system will allow physicians and nonphysician practitioners to apply for Medicare enrollment, check on their applications, make changes, and view their information on file. The Provider Enrollment, Chain, and Ownership System (PECOS) is now available to physicians in 15 states and the District of Columbia. The Centers for Medicare and Medicaid Services said it would expand availability to all states over the next 2 months. The PECOS can process a practitioner's enrollment application as much as 50% faster than can be done on paper, CMS said. In addition, practitioners are required to report certain changes in their enrollment information, and PECOS will allow them to make these changes much faster, CMS said.

**—Joyce Frieden**