Seniors Look to Doctors for Medicare Drug Info

In a poll, 38% of respondents said they'd ask their doctor about enrolling in the Medicare drug plan.

BY JENNIFER SILVERMAN
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WASHINGTON — Older patients are choosing their physician over the phone or using electronic resources to help them understand the complexities of the new prescription drug law.

Many beneficiaries don't understand what the new law does, and many are not comfortable looking for information online, Drew Altman, president and CEO of the Kaiser Family Foundation, said during the annual conference of the National Academy of Social Insurance.

In a Kaiser Family Foundation poll of more than 1,200 adults, only 13% said they understood the new law very well. More than half (53%) said they didn't have enough information about the law to understand how it would impact them personally. The poll was conducted in December 2004 and included responses from 237 adults aged 65 years and older and 953 adults aged 18-64.

In a question specifically addressed to seniors, respondents were asked what sources they would turn to for help. The majority (38%) said they'd ask for their physician's counsel, in deciding whether or not to enroll in a Medicare drug plan, Mr. Altman said. Seniors also cited Medicare offices, Web sites, or phone numbers (31%); pharmacists (30%); and health insurance companies (25%) as consultation sources for the new drug benefit.

Upon closer look, however, it doesn't seem like the Internet or the phone are popular venues to get information. Forty-three percent of the seniors who responded to the poll said they'd never heard of the 1-800 Medicare number, and 42% were aware of it but have never used it.

Only 6% of the respondents had heard of Medicare.gov, and 39% said they'd never heard of the Web site. For those aged 65 and older, 73% said they have never gone online, and 85% said they've never gotten assistance from a friend or family member to visit an Internet site on their behalf to get information about Medicare.

Most of the information isn't access friendly to the average beneficiary, Roslyn Taylor, M.D., a family physician in Savannah, Ga., said in an interview. "Many of the seniors do not have or know how to use computers." Those patients that did "told me that even if they went on the Web site they still were confused."

Thirty-seven percent of the seniors who responded to the survey said they would prefer to get their Medicare information from mailings, and 25% said they wouldn't mind obtaining the information in person from Medicare or Social Security offices. Only 18% cited toll-free telephone hotlines as a preferred method.

Physicians themselves may need a quick tutorial on the new benefits. "I think that a lot of physicians are not aware of the details regarding what new things Medicare is covering—and under what specific rules," said Colette Willins, M.D., a professor at Case Western Reserve University in Westlake, Ohio.

Older beneficiaries seemed more aware of specific benefits. Respectively, 86% and 67% of beneficiaries aged 65 and older knew about the discount drug card, and a $600 subsidy on the costs of drugs for low-income people. Only 27% of beneficiaries aged 18-64 were aware of the subsidy.

Senior respondents seemed divided on their reported plans to enroll in the drug benefit in 2006. Nineteen percent said they would, 37% said they would not, and another 37% said they hadn't heard enough about the new benefit to decide.

Not all physicians are encouraging their patients to use the new Medicare benefit. "Our community health center has an innovative pharmacy program that makes medications so affordable that we counsel our patients not to participate in the Medicare plan," where they'll end up spending more money, Tillman Farley, M.D., a family physician at the Salud Family Health Center in Fort Lupton, Colo., told this newspaper.

Seniors who responded to the Kaiser survey thought low-income people would benefit the most from the new law. Fewer respondents thought it would help the typical Medicare beneficiary.

Only 34% thought it would be very or somewhat helpful to them, personally. "It does seem like a pretty difficult program to explain," Dr. Farley said. ■

Message to Congress: Fix Formula Before Pay for Performance

BY JENNIFER SILVERMAN
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WASHINGTON — Congress should fix Medicare's payment formula before taking on any new reforms to pay physicians on the basis of quality, medical organizations testified at a hearing of the House Ways and Means health subcommittee.

If impending cuts to the fee schedule go into effect, "physicians will be hard pressed to undertake quality initiatives such as information technology," testified Nancy H. Nielsen, M.D., trustee to the American Medical Association.

President Bush's budget request for fiscal year 2006 includes a scheduled 5.2% payment cut for physician services under Medicare. Actuaries have estimated that physician payments could decline by more than 30% through 2012, unless modifications are made to the sustainable growth rate (SGR), part of the physician pay formula that determines each year's update.

Although the AMA has engaged in its own evidence-based, quality improvement measures, "it is critical to replace the flawed physician payment formula to allow quality initiatives to flourish," Dr. Nielsen said.

Other medical organizations offered similar pleas in testimony and in statements to the subcommittee.

Going ahead with pay-for-performance initiatives but not changing the formula to stave off the 5.2% cut "is unacceptable," Jerome B. Connolly, senior government relations representative with the American Academy of Family Physicians, told Skin and Allergy News.

"We fundamentally have to rethink how we pay our doctors," said Subcommittee Chair Nancy L. Johnson (R-Conn.) at the hearing. Pay-for-performance proposals were heavily touted as a viable payment alternatives. Some physicians perform better than others in the quality of care they deliver, Glenn M. Hackbarth, chairman of the Medicare Payment Advisory Commission (MedPAC), testified.

The SGR system "fails to create appropriate incentives to improve performance," he said. MedPAC in its March report to Congress recommended a quality incentive payment system for physicians under Medicare, using various types of information technology to manage patients.

Such an approach would establish exclusive performance standards and award physicians accordingly, while establishing standards to improve quality, he said.

Rep. Pete Stark (D-Calif.), the panel's ranking member, countered that he was "reluctant to get into the quality issue." As far as reforming payments, "I think it's up to the doctors to regulate themselves."

Any type of payment system that rewards providers by improving patient care and outcomes must not be punitive or used as a control for physician volume, said William F. Gee, M.D., a urologist from Lexington, Ky., who testified on behalf of the Alliance for Specialty Medicine.

Measures should also be specialty specific, he continued. "Some measures may be appropriate for some specialties, and not others. In some areas, particularly surgery, it can be difficult to keep quality measures up to date enough to be perceived as relevant."

In addition, the reporting of quality or efficiency indicators and health outcomes data could be administratively prohibitive to many physicians, especially those in small practices that don't have electronic health records, Dr. Gee testified.

There is some evidence that pay for performance can work, at least in the private sector. Since the implementation of three major pay-for-performance contracts with Partners Healthcare System in Boston, "we have steadily improved in targeted areas," such as diabetes care, Thomas H. Lee, M.D., network president for the health care system, testified. The rate of rise in pharmacy spending under these contracts averaged about 5% in 2004, lower than the national average of 9%.

In addition, Partners has developed decision support to help guide physicians to more appropriate ordering of costly imaging tests. Early information indicates that the rate of rise for imaging is less than the national trend of 15%-18%, he said. The contracts cover the care of more than 500,000 primary care patients, and a number of referral patients to specialists. ■

Physicians Did Not Abandon Medicare

Physicians did not run away from Medicare in 2002, despite a 5.4% cut to their payments, the Government Accountability Office reported.

In analyzing all Medicare physician claims for services provided from April 2000 to April 2002, the GAO found that the percentage of beneficiaries getting treatment actually increased—and that access increased in almost every part of the country.

For example, the percentage of beneficiaries receiving physician services during the month of April rose from 42% in 2000 to 46% in 2002.

The findings also suggest that Medicare beneficiaries were less likely to be exposed to balanced billing over time, from 1.7% of claims in 2000 to 1.3% in 2002.

Since 2002, Congress has provided some temporary fixes to prevent further cuts to the fee schedule, although a 5.2% cut is expected in 2006, unless permanent measures are taken.

Several such permanent changes have been proposed—all of which are costly. GAO has estimated that removing prescription drugs from the SGR this year—an option favored by some medical organizations—would fall short of providing the immediate fix that physicians want. Fees would continue to decline by about 5% per year from 2006 through 2010, before rendering a positive update in 2011.

The Bush administration does have current authority to remove the drugs from the formula, Bruce Steinwald, GAO's director for health care, economic and payment issues, recently testified at a hearing of the House Ways and Means health subcommittee.

Further, Mark McClellan, M.D., administrator of the Centers for Medicare and Medicaid Services, recently told reporters that his agency is working with the AMA to identify administrative actions to prevent the cuts.

At the very least, Dr. McClellan's response "indicates that the payment issue is sharply on his radar screen," Paul Speidell, government affairs representative with the Medical Group Management Association, told Skin and Allergy News.