Policy & Practice

Bill Halts 4.4% Cut

Congress' long-awaited passage of the budget reconciliation package (also called the Deficit Reduction Act) put a freeze on a 4.4% cut Medicare physicians experienced in the month of January. While the congressional action stopped any further reductions to payments, it did not increase Medicare physician pay for 2006. The Centers for Medicare and Medicaid Services will reimburse physicians retroactively for the reductions experienced in January, and has instructed its contractors to automatically reprocess claims. But work on this issue is far from over, Dr. J. Edward Hill, president of the American Medical Association, said in a statement. "With 6 years of cuts still scheduled to come as practice costs continue to rise—we fear more physicians will make difficult practice decisions about treating Medicare patients. … We must build on the momentum and awareness raised in 2005 to make 2006 the year Congress permanently repeals the broken Medicare physician payment formula." President Bush's fiscal year 2007 budget request to Congress briefly mentioned the impending cuts, although it expounded on CMS's efforts to expand pay-for-performance initiatives to "achieve better outcomes at a lower overall cost."

Diagnostic Catheterization Coverage

The decision about whether to cover diagnostic catheterization outside of a hospital setting will be left to local Medicare carriers, according to a recent announcement from the Centers for Medicare and Medicaid Services. Previously, CMS policy called for coverage in freestanding clinics with review and approval by Peer Review Organizations—now known as Quality Improvement Organizations. However, those organizations stopped reviewing cardiac catheterization in clinics in 1995. Under the new policy, coverage will be in the hands of local Medicare contractors. While these contractors will have the authority to not cover this procedure in facilities that do not meet locally-set requirements, CMS officials do not expect contractors to establish noncoverage policies, the agency said in its decision memorandum. The change is supported by the American College of Cardiology and the Society for Cardiovascular Angiography and Interventions. The two groups submitted joint comments to CMS that despite the lack of oversight by Peer Review Organizations for the past several years, catheterization procedures at freestanding clinics have been performed safely. But in its comments, the American Hospital Association expressed concern that there is a greater risk in performing diagnostic catheterization in the outpatient setting because there are no emergency or cardiac surgery services on site.

AHA's 2006 Priorities

The American Heart Association has announced plans to take on disparities in care in women and minorities, address obesity in children, and lobby for an increase in federal funding for cardiovascular disease research. AHA officials said they plan to urge involvement from their volunteers and supporters in raising awareness of heart disease and stoke. This May, about 600 volunteers from the organization will gather on Capitol Hill for Congressional Heart and Stroke Lobby Day. Specifically, AHA is seeking increased federal funding for the National Institutes of Health and the newly founded Heart and Stroke Division of the Centers for Disease Control and Prevention.

CVD Awareness Rises

More women are aware of cardiovascular disease, and that knowledge is causing them to take positive preventive health steps for themselves and family members, according to a recent study published in the journal Circulation. A survey of more than 1,000 women aged 25 and older found that awareness has nearly doubled since 1997. Of the women who completed the full survey in July 2005, 55% said that heart disease/heart attack is the leading cause of death. This is up from 30% in 1997. In addition, about 54% of women who reported seeing a health care professional on a regular basis said they had discussed their risk of heart disease within the past 6 months. The top reason women cited for not speaking to a physician or other health care professional about heart disease in the last year was that the provider did not bring it up. More than 80% of women surveyed said they had seen, heard, or read information about heart disease in the last year. The researchers reported that those women were "significantly more likely to increase their physical activity, decrease their intake of unhealthy food, and lose weight."

2007 Medicare Formulary Guidance

The U.S. Pharmacopeia (USP) last month released its final model guidelines for use in developing Medicare prescription drug formularies in 2007. The model guidelines are used by the Centers for Medicare and Medicaid Services to evaluate the formularies created by private drug plans that participate in the Medicare Part D program. There are fewer unique categories and classes in the 2007 document—133 compared with 146 in 2006. In addition, the number of formulary key drug types, which are used by CMS to test the comprehensiveness of the formulary, has been increased from 118 to 141. The final model guidelines eliminate the distinction between nonsteroidal anti-inflammatory drugs and cyclooxygenase-2 inhibitors and between selective serotonin reuptake inhibitors and serotonin/norepinephrine reuptake inhibitors. The USP model guidelines are available online at www.usp.org.

—Mary Ellen Schneider

Elderly Could Benefit From Health IT Progress

BY JENNIFER LUBELL
Associate Editor, Practice Trends

WASHINGTON — The United States has underinvested in health information technologies that could help improve the lives of elderly people, Craig Barrett, chairman of the board of the Intel Corporation, said at the 2005 White House Conference on Aging.

Companies have been actively investigating these technologies—"just not here in the U.S.," he said. "Many other countries are ahead of us. They have rules and regulations promoting the development of these technologies."

In Korea, for example, user-friendly devices such as cell phones that double as glucose monitors are being tested.

Bringing such technology to market requires reseach and development funding, but licensing hurdles, regulatory issues, reimbursement issues, and liability concerns slow the process in the United States. Physicians, for example, don't use e-mail to communicate with patients because they are not reimbursed for giving advice over the Internet, Mr. Barrett said.

If the United States were to coordinate companies' efforts to tap research and development funding for such technologies, elderly patients could live better quality lives in their homes, rather than in hospitals and clinics, he argued.

Those efforts also would help lower the medical costs of caring for elderly patients, who make up 15% of all patients, but who account for 85% of medical costs, Mr. Barrett said.

Various devices capable of monitoring information about diseases could be made available to patients, caretakers, and physicians, he said. "You could turn the health care system around so that all sorts of technology could be used by individuals at home to ward off having to go to the hospital," he said.

You could detect disease onset with monitors and sensors. By placing these technologies in the home, "you could sense if individuals are walking around, opening refrigerators, if they're taking their medication, what they're doing on a daily basis." The sensors would be monitored remotely so that caregivers and family could check up on their parents or elders at any time.

Sensors could be used to help monitor chronic disease, tracking variables such as mobility, sleep quality, heartbeat, and breathing regularity, he said.

Such technology could also be used to improve lifestyles of older patients, he said. "People who have memory problems often don't want to answer the phone because they're afraid they're not going to know who's on the other end. They don't want to answer the door because they're afraid they might not recognize [the person]."

A possible solution is to give such patients a simple, enhanced call monitoring system that shows them the picture of a person, their relationship, and when the two last talked.

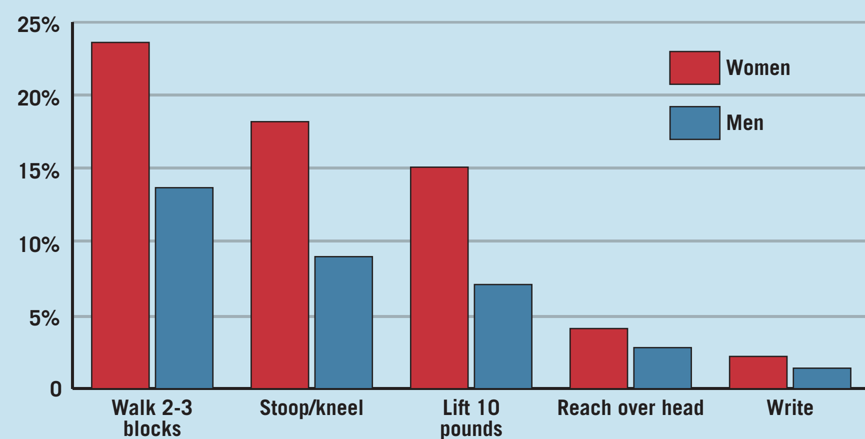
Wireless broadband offers a communication channel between patient, physician and caregiver, Mr. Barrett said. "As the country gets more broadband, the connectivity between homes, offices, and individuals, becomes easier and more useful."

To improve access and quality of care for older patients, White House Conference on Aging delegates approved several implementation plans to advance health information technology, such as:

- ▶ Updating Medicare to place greater emphasis on establishing cost-effective linkages to home- and community-based options through the Aging Network, to promote chronic disease management and increase health promotion and disease prevention measures.
- ▶ Establishing a new title under the Older Americans Act to create aging and disability resource centers as a single point of entry in each region across the country.
- ▶ Including in the Older Americans Act provisions to foster development of a virtual electronic database that is shared between providers.
- ▶ Amending the Health Insurance Portability and Accountability Act and other "restrictive" regulations to allow communication between health providers and the aging network regarding client care. ■

Data Watch

Medicare Enrollees Unable to Perform Certain Physical Functions



Note: Rates reported are for enrollees aged 65 years and older in 2003.
Source: Centers for Medicare and Medicaid Services, Medicare Current Beneficiary Survey

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