

Medicare Is Losing Doctors, Group Warns

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WASHINGTON — The failure to address low physician pay and looming reimbursement cuts in the Medicare program is starting to affect beneficiaries, said members of Medicare's Practicing Physicians Advisory Council at their recent meeting.

PPAC member Dr. Vincent J. Bufalino, a cardiologist from Naperville, Ill., offered an example to the council. "We have in our community the beginnings of physicians walking away from Medicare. Four of the busiest internists in town have said 'No' and ripped up their [Medicare] agreement," Dr. Bufalino said.

Half of the physicians in Dr. Bufalino's community are no longer accepting new Medicare patients, he said. Although the CMS still counts them as participating in the program, the trend is having a profound effect on beneficiaries' access to physician services.

"We don't think that participation rates, assignment rates, really reflect what is going on," Dr. Bufalino told CMS Deputy Administrator Leslie Norwalk.

The CMS has to rely on the numbers gathered by physician groups, she responded. "I suspect that the best way to go about this is probably at the state level where you would ask your state medical society to survey members and let us know what it is that you see," Ms. Norwalk suggested, noting that administration officials are legally barred from telling people to lobby Congress.

Lawmakers will have to be the ones to make changes to the current mechanism for updating physician payments. Based on the sustained growth rate (SGR) formula,

mandated by the Balanced Budget Act of 1997, physicians are currently slated for a 5.1% cut in reimbursement starting Jan. 1. In past years, Congress has averted cuts or given doctors a small raise.

PPAC members urged CMS officials to use what influence they have to encourage lawmakers to do so again based on the recommendation from the Medicare Payment Advisory Commission that physician pay be increased by 2.8% in 2007.

"If you look at the data from 2001 to 2007, physicians' costs are up 18%, yet Medicare payments are down 5%. . . . Only physicians are subject to arbitrary spending cuts. Hospitals have had a 3.7% update; nursing homes, a 3.1%; [and] Medicare Advantage now gets 111% of the fee-for-service rate and is slated for another 4.8% increase," said PPAC member M. LeRoy Sprang, an ob.gyn. from Evanston, Ill.

However, government estimates show that giving physicians a Medicare pay raise of 2%-3% over the next 5 years would carry a \$58 billion price tag. Dr. Mark McClellan, the outgoing CMS administrator, has testified to Congress that any action taken to improve physician pay should be accompanied by provisions that allow the agency to better control how it spends the money through strategies such as pay for performance.

Physicians don't object to the agency's push for pay for performance, but you can't expect to purchase quality on the cheap, said PPAC member Dr. Geraldine O'Shea, an internist from Jackson, Calif.

"We understand the cost is the bottom line, but as we're moving toward this, we want to make sure it stays in the forefront [and] that health outcomes of our patients are still our No. 1 concern," she said. ■

CMS Administrator Resigns, Touts Progress on Medicare Part D Benefit

As physicians fight to avoid a proposed 5.1% payment cut under Medicare slated to take effect in January, it's unclear who will be leading the agency responsible for administering Medicare.

Dr. Mark B. McClellan resigned as administrator of the Centers for Medicare and Medicaid Services in early September after a 2½-year tenure with the agency. At press time, no acting or permanent replacement had yet been named.

Dr. McClellan, who previously served as commissioner of the Food and Drug Administration, said he is considering a move to a think tank in the Washington area.

In a press briefing announcing his resignation, Dr. McClellan said he would stay on at CMS for the next few weeks to aid in the transition.

He took the reins at CMS just months after the passage of the Medicare Modernization Act and has presided over the transition to the Medicare Part D drug benefit.

There has been momentum on all new initiatives at CMS, including the Part D benefit, he said. Dr. McClellan touted the progress of the Part D program, including lower-than-forecast beneficiary costs and an overall high rate of participation and beneficiary satisfaction. And regardless of the outcomes of this year's midterm congressional elections, Dr. McClellan said he expects to see continued congressional oversight of the program.

The American Medical Association praised his expertise and experience as a physician and called for a replacement with similar qualifications. "It is our hope, that before leaving CMS, Dr. McClellan will intensify his efforts to help physicians provide the best possible care to Medicare patients by supporting congressional efforts to ensure that the 2007 Medicare physician payment update will reflect the increase in physicians' practice costs," Dr. Cecil B. Wilson, AMA board chair, said in a statement.

—Mary Ellen Schneider

POLICY & PRACTICE

Rising Nicotine Levels

Quitting smoking may be harder than it used to be, according to a new report from the Massachusetts Department of Public Health. The report, based on data on nicotine yields between 1998 and 2004 from all tobacco companies that sell cigarettes in Massachusetts, found that nicotine levels in cigarettes have increased over the last 6 years. The overall nicotine yields increased about 10% between 1998 and 2004, according to the Department of Public Health. And in 2004, 93% of all cigarette brands tested were in the highest nicotine range, compared to 84% in 1998. Philip Morris USA disputed the findings of the Department of Public Health, saying that the analysis did not include information from 1997 and 2005 and that the machine smoking methods used to determine the level of nicotine are not an accurate way to determine the amount of nicotine delivered to a smoker's lungs.

Screening Returning Soldiers

Sen. Maria Cantwell (D-Wash.) is calling on the Department of Defense to expand a pilot program to provide comprehensive mental health screening to more soldiers returning from combat. The pilot program, based at the Fort Lewis Army base in Washington state, assesses the mental health of returning soldiers through questionnaires and interviews. Any soldiers identified as being at risk for mental health issues are scheduled for follow-up appointments. Sen. Cantwell wants to see the program used as nationwide model for the Army, Army Reserve, and Army National Guard. Expanding this program could help to address the need for greater mental health referrals in the Army, Sen. Cantwell wrote in a letter to Defense Secretary Donald Rumsfeld. Earlier this year, the Government Accountability Office reported that the Army has referred only about 23% of returning soldiers who were potentially at risk for developing posttraumatic stress disorder for mental health evaluation.

Investigating Autism Causes

Officials at the National Institutes of Health are launching three new clinical studies aimed at defining the different subtypes of autism spectrum disorders and potential new treatments. In one study, researchers will compare two subtypes of autism—one with regression of normal development around age 3 and another considered nonregressive autism that begins possibly before birth—with other developmental disorders and with normal development. Researchers will also investigate possible treatments for autism, including the antibiotic minocycline in regressive autism and the use of chelation therapy. The studies will be conducted on the NIH campus in Bethesda, Md., as part of the intramural research program of the National Institute of Mental Health. More information on the trials is available online at <http://clinicaltrials.gov>.

Prisoner Mental Health

More than half of all inmates in prisons and jails across the country have experienced symptoms of a mental disorder, according to a report by the Justice Department's Bureau of Justice Statistics. The report found that 56% of state prisoners, 45% of federal prisoners, and 64% of inmates in jails had a recent history or symptoms of mental illness. The findings, based on national survey data, show that many prisoners reported symptoms of mania, major depression, and psychotic disorder. For example, among inmates who had reported symptoms of a mental disorder, 54% of jail inmates and 43% of state prisoners reported symptoms of mania. Thirty percent of jail inmates and 23% of state prisoners reported symptoms associated with major depression. The full report is available online at www.ojp.usdoj.gov/bjs/pub/pdf/mhppji.pdf.

DEA Reverses Pain Rx Restrictions

A new proposal from the U.S. Drug Enforcement Administration would allow physicians to issue up to a 90-day supply of schedule II controlled substances in a single visit. The notice of proposed rule making, which was issued in September, is open for public comment until Nov. 6. If finalized, the proposal would reverse the agency's previous position that physicians must write new prescriptions each month. Instead, physicians would be able to issue three monthly prescriptions at once, specifying the fill date for each prescription. The agency also issued a policy statement aimed at answering physician questions about dispensing pain medications. "Today's policy statement reaffirms that DEA wants doctors to treat pain as is appropriate under accepted medical community standards," DEA Administrator Karen P. Tandy said in a statement. "Physicians acting in accordance with accepted medical practice should be confident that they will not be criminally charged for prescribing all appropriate pain medications."

Views on Medicare Part D

Most physicians agree that the Medicare Part D drug benefit is saving money for patients, but they see the law as too complicated, according to a poll commissioned by the Kaiser Family Foundation. Seventy-one percent of physicians surveyed somewhat or strongly agreed that the program helps people on Medicare save money, while 92% somewhat or strongly agreed that it is too complicated. And 64% of physicians agreed that it benefits private health plans and pharmaceutical companies too much, according to the results of the Kaiser survey. Physicians also reported that the program increased their day-to-day hassles. The survey, conducted between April and July, is based on a nationally representative sample of 834 office-based physicians involved in direct adult patient care. A separate survey of pharmacists showed similar views on the program.

—Mary Ellen Schneider