

# the Corridor Connection

A Newsletter for members of the Physician Organization of Central Long Island

## HIPAA Security Rules Next Hurdle For Physicians Implementation Set For April 2005

*Now is the time to begin to prepare.*

You thought it was safe to relax with respect to HIPAA. Your policy manual is complete, office procedures are implemented, forms were customized and distributed, employees were trained, business associate agreements were executed with your vendors and consultants, and patients are signing privacy notices.

Now comes the second phase and it relates to data security not privacy. POCLI intends to offer a sound solution to its members without having you pay a large expense to one of the many vendors who are sure to knock on your door

and try to sell you a "solution."

POCLI has asked its legal consultants to prepare a brief position article for you to read as a first step. We are also looking into a group purchase of a software package that will help you through the required "risk assessment" all practices will need to perform by the April 2005 deadline. The penalties for failing to comply are the same as with the privacy regulations and fines can be imposed up to \$25,000. If you have questions after reading the article please contact the POCLI office for clarification. ▲

## Between a Rock and a Hard Place

*A Message from the President • Bruce Kappel, M.D.*

The situation never seems to get any better for the profession. Just when we thought we had HIPAA under control we are notified that another set of regulations are about to impact our practices. (See article on data security.) Now we are informed that the negotiations between the North Shore/LIJ Health System and Oxford Health Plan are reaching a critical stage and it is possible that at year end we have to change our hospital affiliation to retain our Oxford patients because our contract requires that we have privileges at and admit to "participating" facilities. Once again we are pulled by external factors over which we have no control. To make matters worse, at least in oncology, the kick in the teeth delivered along with the Medicare prescription drug benefit is catastrophic. Chemotherapy cannot be delivered this way for very long. Our reimbursements are heading south faster than the birds at this time of year.

Meanwhile, the rate of increase in health insurance premiums slowed slightly in 2004, according to a new survey, but health costs continue to rise five times faster than worker wages or general inflation. The persistent double-digit increases in premiums - 11.2% in 2004, com-

pared with 13.9% in 2003 - is affecting both the ability of employers to offer coverage and workers to accept it, according to *Reuter News Service*. The growth in jobs is clouded each month with the suggestion that employers are loathe to hire permanent full time employees and have to pay for health benefits. Better to work the existing staff longer for overtime or bring in temporary staff. Not a good sign at all. We know that "premium dollars" are not coming to us so when we read that the hospitals are looking for increases can we do anything but suspect it will come out of our hides? The steady stream of new pharma drugs and the pipeline of biotech drugs for specialty care are also major contributors to premium increases. It make you think that perhaps what we order is important. The drug sample closet and the amazingly effective marketing by the pharmaceutical industry have come back to bite us. We need to think smarter about drug choices for our patients.

What to do? Working smarter by building greater efficiencies in the office will help. One such effort is the introduction of *e-prescribing*. Eliminating the phone calls from patients and pharmacies about renewals and

(continued on next page)

## HIPAA Security Rules... (continued from front page)

formulary compliance issues will free our staffs for other productive tasks. I am pleased that the POCLI executive staff is working closely with the Board and keeping us up to date on the success of the North Shore IPA in its roll out of this project. I urge all of you who may have an interest in e-prescribing to call the POCLI office for more information.

On the political front, Assemblyman Sidikman has been defeated in a Democratic primary battle. He was no friend of physicians and we welcome the opportunity to work

with a new legislator. For those of you who may not know it, Dr. Richard Taubman, an OB/GYN from LIJ, has decided to run on the Democratic line against the incumbent Donna Ferrara (R-C). He is looking for support from his physician colleagues. To learn more about his positions on the issues that are most important to you contact him at 917-428-5183. I give him credit for taking our fight seriously enough to want to get on the "inside" to try and fix some of the most troubling issues including medical liability reform. ▲

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## North Shore/LIJ Health System Goes Toe To Toe With Oxford Health Plans

### Physicians Caught In The Middle

The North Shore/LIJ Health System has put Oxford Health Plans on notice that renewal of their contract for the calendar year 2005 depends upon an acceptable renegotiation of reimbursement rates.

Oxford Health Plans, one of the largest managed care companies in New York, recently merged with United Healthcare, another nationwide mega-insurer. This has the potential to be a "battle of the giants" pitting one of the nation's largest health systems against a huge insurance firm. Both sides have an enormous amount at stake in their mutual business relationship with neither side gaining from a failure to come to terms. Failure to reach agreement would result in huge disruptions in patient access that would not only affect the parties themselves but many physicians as well.

The Health System, which faces significant reductions in Medicare reimbursement because of the federal government's recent recalibration of its complex regional wage formula for inpatient DRG rates, must look to improved rates with private insurers to avoid serious financial problems. On the other hand, like the rest of the insurance industry, Oxford's competitive position suffers from upward cost pressures that have emanated primarily from Hospital and prescription drug utilization.

And physicians are caught in the middle. In the event that the parties cannot come to an agreement, many physicians who participate in Oxford and whose admitting privileges are limited to Health System hospitals could find themselves suddenly cut off from treating their Oxford covered patients. This is because physician contracts with Oxford require that the physician have admitting privileges at an Oxford participating hospital.

Common sense suggests that both sides are likely to reach a compromise agreement since it is in everyone's interest to do so and in no one's interest to terminate the relationship. But reason does not always prevail.

**Under these circumstances prudence dictates that physicians who have admitting privileges exclusively at Health System hospitals take appropriate precautions if they wish to preserve and protect their relationships with Oxford covered patients. On the other hand, loss of participation in Oxford as a result of circumstances beyond their control could be a blessing for those physicians who have stayed in Oxford out of a sense of loyalty to patients covered by this health plan.**

**Members can call the POCLI office (516-487-3822) for information and to discuss possible alternatives. ▲**

## Demand Repayment by United - POCLI Saves Member \$30,000

A physician's worst nightmare is opening up his mail and finding a demand notice for a large repayment to a health insurance plan for alleged inappropriate billing. When this recently happened to a POCLI primary care physician he picked up the phone, called the PO and asked for guidance. POCLI went to work. First the staff performed a detailed retrospective chart review to make its own determination of the billing accuracy. We disagreed with the payer's chart reviews on many cases and prepared a detailed chart by chart analysis. Then POCLI calculated its own payback and determined

the payer was overstating the demand by \$30,000. The physician authorized POCLI to negotiate a settlement on his behalf and after a series of conversations with the payer the demand was reduced by half. The member also saved the costs of legal and outside coding consultants which he would have had to engage if he decided to fight the payer on his own.

POCLI has proven once again its worth to its members. We hope none of you are ever confronted by this situation, but if you are you know where to turn. ▲

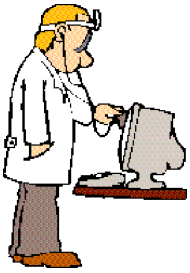
## Proposed HEDIS Standards For 2005

Ever wonder what the payers have in mind for quality assurance for the coming year? Most managed care plans are required to meet the HEDIS standards at a minimum to be accredited. We thought you might like to take a look at what is proposed. In many instances the absence of an electronic health record makes it impossible for you to

query your practice management system and identify patients who need to have certain tests performed based on their disease state. That is why the payer has to send you profile reports. Being familiar with these HEDIS criteria will help you in your efforts to continually improve patient care and compliance. ▲

HEDIS 2005 MEASURES	Applicable to:	
	Commercial	Medicare
<b>Effectiveness of Care</b>		
Childhood Immunization Status	x	
Adolescent Immunization Status	x	
Appropriate Treatment for Children with Upper Respiratory Infection	x	
Appropriate Testing for Children with Pharyngitis	x	
Colorectal Cancer Screening	x	x
Breast Cancer Screening	x	x
Cervical Cancer Screening	x	
Chlamydia Screening in Women	x	
Osteoporosis Management in Women Who Had a Fracture		x
Controlling High Blood Pressure	x	x
Beta-Blocker After a Heart Attack	x	x
Persistence of Beta-Blocker Treatment After a Heart Attack	x	x
Cholesterol Management After Acute Cardiovascular Event	x	x
Comprehensive Diabetes Care	x	x
Use of Appropriate Medications for People with Asthma	x	
Follow-Up After Hospitalization for Mental Illness	x	x
Antidepressant Medication Management	x	x
Glaucoma Screening in Older Adults		x
Use of Imaging Studies for Low Back Pain	x	
Medical Assistance with Smoking Cessation	x	x (ASTQ only)
Flu Shots for Adults Age 50-64	x	
Flu Shots for Older Adults		x
Pneumonia Vaccination Status for Older Adults		x
Medicare Health Outcomes Survey		x
Management of Urinary Incontinence in Older Adults		x
Physical Activity in Older Adults		x
<b>Access/Availability of Care</b>		
Adults' Access to Preventive/Ambulatory Health Services	x	x
Children and Adolescents' Access to Primary Care Practitioners	x	
Prenatal and Postpartum Care	x	
Annual Dental Visit		
Initiation and Engagement of Alcohol and Other Drug Dependence Treatment	x	x
Claims Timeliness	x	x
Call Answer Timeliness	x	x
Call Abandonment	x	x
<b>Satisfaction With the Experience of Care</b>		
CAPHS® 3.0H Adult Survey	x	
CAPHS® 3.0H Child Survey	x	
ECHO® 3.0H Survey for MHBOs	x	(MBHO only)
<b>Health Plan Stability</b>		
Practitioner Turnover	x	x
Years in Business/Total Membership	x	x
<b>Use of Service</b>		
Well-Child Visits in the First 15 Months of Life	x	
Well-Child Visits in the Third, Fourth, Fifth and Sixth Years of Life	x	
Adolescent Well-Care Visit	x	

## “Decade of Health Information Technology” Declared by Department of Health Human Services



On July 21, 2004 the federal government released a report outlining its objectives to achieve electronic health records (EHR) within the next decade. The framework for strategic action identifies the following key elements that EHR will achieve:

- Avoid medical errors
- Improve use of resources
- Reduce variability to care
- Advance consumer role
- Strengthen privacy and data protection
- Promote public health preparedness

With respect to medical errors the introduction and use of electronic prescription writing is a priority. The report notes that the Department of Defense *e*-prescribing software implementation in 2001

eliminated 100,000 adverse drug interactions. Study after study suggests that new and advanced software, high speed Internet access and use of PCs and PDAs can achieve measurable and desirable positive improvements in patient safety and quality of care.

POCLI, along with its related organization NSPO, is working closely with the North Shore IPA on implementing an *e*-prescribing solution for its physicians.

The IPA has committed resources to purchase software licenses for its members and plans on having 150 physicians on line by the end of the year. POCLI has negotiated preferred pricing for its members who are not in the IPA and wish to move now into an *e*-prescribing solution.

No physician should feel they are in this alone without a support system to help with implementation. POCLI will provide the security. That being said, it is difficult to ignore this new imperative and the sooner physicians embrace the concept the better. ▲

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