

Private Sector Environmental Scan

From

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www.aafp.org/privatesector

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[Family Practice Management \(FPM\)](#)

CMS

- **55 Questions About the Future Of Physician Reimbursement**
Op-Ed. By: Elyas Bakhtiari, Managing Editor, Healthleaders Media
“This week CMS offered a glimpse at a possible replacement for Medicare's fee-for-service physician reimbursement system, and so far, there are far more questions than answers about what physicians can expect. Fifty-five questions to be precise, according to an "issues paper" that accompanied Tuesday's six-hour public listening session on developing a transition plan.”
http://www.healthleadersmedia.com/content/224841/topic/WS_HLM2_PHY/55-Questions-About-the-Future-of-Physician-Reimbursement.html

- **Medicare insurers' profits exceed expectations**
AP/Yahoo News, December 11, 2008
“Health insurance companies that serve Medicare patients are realizing significantly higher profits than they anticipated, resulting in the companies getting \$1.3 billion more than projected, congressional auditors say. The insurance companies' payments are based, in part, on their anticipated revenues and expenses. If the companies had been more accurate, they could have spent much of that \$1.3 billion on enhanced health benefits or lower monthly premiums, and they still would have maintained their expected profit margin, the Government Accountability Office said in a report. Rep. Pete Stark, chairman of the House Ways and Means health subcommittee, said he will push for legislation next year that would lower the government's payments to insurers.”
http://news.yahoo.com/s/ap/20081211/ap_on_go_co/medicare_health_insurers_2

HEALTH PLANS

- **Fairness of insurance caps is questioned**

Philadelphia Inquirer, December 15, 2008

"More than half of all employer-based insurance plans in America have lifetime caps limiting how much can be spent on any one employee. But because of rising healthcare costs, more Americans appear to be reaching those caps."

http://www.philly.com/inquirer/home_top_stories/20081215_Patients_reaching_medical_insurance_cap_more_frequently.html

IMAGING

- **Scans drive up costs, provide mixed results**

New York Times, December 9, 2008

There has long been an argument about the cost-effectiveness and economic sense of new medical technologies. Now the argument has shifted to whether or not these expensive new procedures make medical sense. We've been running a lot of content lately from the New York Times lately, bit give The Gray Lady credit. They are doing a great job bringing some of healthcare's more nettlesome problems to the general public's attention. The Times' renewed emphasis on coverage of healthcare delivery issues will not go unnoticed by other media. This is a good thing if the coverage informs—rather than inflames—the public about the challenges facing healthcare delivery.

http://www.nytimes.com/2008/12/09/health/09scan.html?_r=1&partner=rss&emc=rss

NATIONAL TRENDS

- **Insurers seek presence at healthcare sessions**

New York Times, December 17, 2008

Supporters of President-elect Barack Obama will be holding house parties to discuss ways of fixing the healthcare system over the next two weeks, and they are envisioned as a way to make good on Obama's commitment to "healthcare reform that comes from the ground up." Now some of the biggest stakeholders in the healthcare industry may get involved: The health insurance industry is encouraging its employees and satisfied customers to attend. A trade group representing some of the nation's largest healthcare businesses is organizing several meetings. And the American Medical Association and other medical societies are encouraging doctors to get involved.

http://www.nytimes.com/2008/12/17/us/politics/17health.html?_r=1

PHYSICIAN MEASUREMENT & REPORTING

- **Highmark Blue Cross Blue Shield Provides Online Physician Quality Information to Members**

Online physician data provides increased transparency

“Highmark Blue Cross Blue Shield is providing its members with online physician quality information in an effort to help them make more informed health care decisions.”

http://www.prnewswire.com/cgi-bin/stories.pl?ACCT=AAHP_INS.story&STORY=/www/story/12-15-2008/0004942140&EDATE=MON+Dec+15+2008,+11:58+AM

PRACTICE DESIGNS

- **Primary care solo practices difficult to sustain**

Los Angeles Times, (12/15)

"Primary care providers increasingly are closing their practices due to low earnings, rising overhead and higher patient loads, all made worse by the troubled economy. Economist Richard Scheffler of the University of California, Berkeley, says it is very difficult for physicians to support a solo practice these days, even in wealthy neighborhoods."

<http://www.latimes.com/business/la-fi-doctors15-2008dec15,0,4293105.story>

RETAIL HEALTH CLINICS

- **Despite the hype, patients' use of retail clinics is 'modest'**

Wall Street Journal (blog), December 16, 2008

“The number of patients who've tried out retail clinics turns out to be modest, say the authors of a study from the Center for Studying Health System Change. Only 3.4 million American families, or 2.3%, had used a retail clinic as of 2007, according to survey results. The study's authors noted that retail clinics have turned out to be more complex and costly to operate than expected, and some physician practices are responding by extending their own office hours and doing more same-day scheduling.”

<http://blogs.wsj.com/health/2008/12/15/despite-the-hype-patients-use-of-retail-clinics-is-modest/>

TECHNOLOGY

- **KLAS releases annual rankings best-performing vendors for software and professional services**

HealthLeaders Media IT, December 16, 2008

The annual list includes providers of PACS, radiology systems, EMRs, cardiology systems, and application hosting. In addition to recognizing the Best in KLAS honorees, the 2008 Top 20 Best in KLAS Awards report also highlights the highest-performing healthcare vendors across all market segments, known as the Top 20. This year Epic was rated number one among software vendors, while Hayes Management topped the list of services firms. Other highly rated vendors include 3M, FUJIFILM, Sunquest, and CTGHS.

http://www.healthleadersmedia.com/content/225125/topic/WS_HLM2_TE_C/KLAS-releases-rankings-of-bestperforming-software-and-professional-services-vendors.html

Reminder: Chapter Executives

AAFP-AAFP chapter Private Sector Advocacy call schedule, 1-888-271-3491, press “3”

January 15, 2009	Canceled due to Cluster
March 19, 2009	1:00 P.M. to 2:00 P.M. Central time
April 16, 2009	1:00 P.M. to 2:00 P.M. Central time
May 21, 2009	1:00 P.M. to 2:00 P.M. Central time
June 18, 2009	1:00 P.M. to 2:00 P.M. Central time
July 16, 2009	1:00 P.M. to 2:00 P.M. Central time
August 20, 2009	1:00 P.M. to 2:00 P.M. Central time