

POLICY & PRACTICE

Challenges of Running a Practice

Many physicians in private practice wish they could spend less time running their practice—and more time practicing medicine, an American Express survey of 663 physicians indicated. Of the physicians who responded, 26% described the dual role of practicing medicine and running their business as “extremely challenging,” and half reported spending the equivalent of at least 1 full day each week on tasks related to business management. “Nearly one in four say they would not have opened their own medical practice if they fully understood the business challenges of running a practice when they began their careers,” medical practice management specialist J. Max Reiboldt said in response to the findings. Many respondents noted that they felt the need to develop better business skills, including financial and business management. The Medical Practice Monitor survey was based on interviews conducted in 2004 by Harris Interactive.

Payments for the Elderly

U.S. seniors spent an average of \$11,089 out of pocket on health care goods and services in 1999, but nearly half that amount was reimbursed by Medicare, and another 15% was paid for by Medicaid, according to a report by the Centers for Medicare and Medicaid Services’ Office of the Actuary. The amount spent out of pocket by seniors was quadruple the average of \$2,793 for people under age 65 years. “What this report shows is the importance of our efforts to bring down the high cost of health care for America’s seniors,” CMS Administrator Mark B. McClellan, M.D., said in a statement. Although people aged 65 years and over made up only 13% of the population in 1999, they accounted for 36% of personal health care spending, according to the report. Conversely, children made up 29% of the population but accounted only for 12% of personal health care spending in that year.

Medicaid Prescription Drug Charges

The Medicaid program is being overcharged for prescription drugs, George M. Reeb testified to the House Energy and Commerce subcommittee on oversight and investigations. Mr. Reeb, who is the assistant inspector general for the Centers for Medicare and Medicaid Audits at the Department of Health and Human Services, said part of the problem is that states vary greatly in the reimbursement amounts they set for prescription drugs. For example, “based on state data, we estimated that, overall, Medicaid could have saved as much as \$86.7 million in fiscal year 2001 if all 42 states had reimbursed at the same price as the lowest paying state for each of the drugs reviewed,” Mr. Reeb reported in his testimony. Among his recommendations is that states be provided with enhanced access to accurate wholesale

pricing information and adopt other strategies to contain costs.

Guidance on Inpatient Status

To help physicians do a better job of admitting patients to the hospital, CMS should simplify its use of the terms “observation” and “inpatient admission,” a federal advisory panel has recommended. The Practicing Physicians Advisory Council drew up the resolution after CMS officials indicated that there was some “confusion” between hospitals and admitting physicians on patient status. Specifically, there are times when a hospital admits a patient to inpatient status when the physician intended the patient to be admitted for observation. The panel recommended that CMS provide this guidance on the “MedLearn Matters” Web site, which posts articles to Medicare providers that help them understand new or changed Medicare policy.

Historic Fraud Case in Missouri

In the largest fraud settlement reached in the Eastern District of Missouri, Gambro Healthcare will pay more than \$350 million in criminal fines and civil penalties to settle allegations of health care fraud in the Medicare, Medicaid, and TRICARE programs. The settlement resolves civil liabilities stemming from alleged kickbacks paid to physicians, false statements made to procure payment for unnecessary tests and services, and payments made to Gambro Supply, a sham durable medical equipment company. “Gambro engaged in fraud to obtain millions of dollars of federal health insurance funds for unnecessary tests and services,” said U.S. Attorney James G. Martin in a statement. Gambro Healthcare, a global provider of kidney dialysis services, “cooperated fully with the government to settle this matter and put behind us issues that arose during a period of rapid and complex industry consolidation in the 1990s,” said its president, Larry Buckelew.

Malpractice: No. 3 Issue for Voters

Medical malpractice reform was one of the top three health care issues for voters who participated in a survey sponsored by the Federation of American Hospitals, ranking behind the uninsured, and before reimportation of drugs from Canada. Most of the respondents (40%) cited lawyers as being the most responsible for physicians leaving their practice due to high malpractice insurance costs, followed by insurance companies (26%), plaintiffs (17%), and physicians (5%). Insurance companies and HMOs were cited as the biggest reason for rising health care costs (37%), followed by lawsuits (30%). On other health care issues, seven out of 10 voters overwhelmingly opposed cuts to Medicare and Medicaid programs. The study represented a poll of 1,000 registered voters, plus 478 voters aged 65 and older.

—Jennifer Silverman

Medical Errors More Likely In Frequently Seen Patients

BY DIANA MAHONEY
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ORLANDO, FLA. — Continuity of care is not a protective factor—and may be a significant predictive factor—for medical errors, despite being linked to many positive outcomes in health care delivery, Eric Wong, M.D., said at the annual meeting of the North American Primary Care Research Group.

In an effort to assess the connection between continuity of care and occurrences of medical errors in family practice, Dr. Wong and colleagues at the University of Western Ontario undertook a cross-sectional chart review using a stratified randomized sample of eligible electronic medical records from patients at an academic family medical center in southwestern Ontario.

The study enrolled 202 patients aged 18 years or older who had visited the family medical center two or more times between July 2002 and June 2003, excluding pregnant patients and residents of a nearby drug rehabilitation center.

The investigators identified 37 “preventable” medical errors that occurred in 1,376 visits, and classified the errors as being related to diagnosis, investigation, or treatment.

The diagnostic errors included misdiagnoses and delayed diagnoses. The investigation errors included incorrect or omitted tests.

And the treatment errors included incorrect drug and nondrug treatment based on the indication, incorrect drug dosage, delayed drug and nondrug treatment, and omitted drug and nondrug treatment. Seven of the errors (in five patients) resulted in nonfatal but physically or emotionally harmful consequences, according to Dr. Wong.

Three multivariate analyses—each using a different continuity of care index, with continuity of care defined as frequency of provider/patient interaction—showed a positive correlation between medical errors and continuity of care, and no correlation between disease complexity or severity and the occurrence of medical errors. All three analyses also showed alcohol abuse to be a significant independent risk factor for medical errors, Dr. Wong noted.

“The results did not support our hypothesis that good continuity of care on its own decreases the risk of medical errors,” he said.

“It’s possible that our assumptions about continuity of care—particularly the idea that seeing patients more often will lead to a better relationship and better care—are wrong,” Dr. Wong added.

There are a number of possible explanations for the possible link between increased contact with the same provider

and the increased risk of medical error, Dr. Wong explained.

“It might be that what we define as continuity of care is really a proxy measure for problem patient/doctor relationships, or that some of the patients are being seen so much because they have multiple, difficult complaints, which could increase the likelihood of error,” he said.

Additionally, physicians may be more likely to book frequent return visits for patients whose symptoms are vague, not as a way to optimize care but as a way to “keep the patient happy” without really having a solid care plan, Dr. Wong said.

Another possibility is that familiarity breeds complacency. When physicians see the same patient frequently, they are likely to engage in more social conversation than they would with a new patient or a patient who hasn’t been seen recently, with less attention paid to the medical problems or routine care.

“Nearly 57% of the noted errors involved the omission of necessary investigations. This could be a function of the clinician just not paying close enough attention to what has and has not been done recently, or simply assuming that the necessary tests must have been taken care of at the previous visits,” he said.

Finally, the findings could be indicative of an overall system failure, in which the sometimes stilted nature of patient/physician communication precludes an easy assessment of a problem.

“The occurrence of medical errors and higher levels of continuity may represent parallel effects of the interaction of patient, physician, and system factors,” Dr. Wong said. As a result, “some patients may be seen a lot, without really being seen at all.”

With respect to the alcohol abuse finding, “the diagnosis of alcohol abuse could also be a proxy measure of a problem with the doctor/patient relationship, thus leading to less attentive care and an increase in medical errors,” Dr. Wong hypothesized. “Or it may be that these patients are more difficult to diagnose and treat, or that physicians’ attitudes toward them [are] negative.”

Although the study findings are provocative, they are limited by a number of factors, Dr. Wong stressed, including the small number of errors overall, the chart review and audit process, and the classification system.

Additionally, “the provider continuity indices might not capture some aspects of continuous care that could decrease risk of error,” he said.

Despite the study limitations, Dr. Wong said, “the findings do suggest that clinicians should pay closer attention to patients they see frequently and to those with a diagnosis of alcohol abuse, to avoid preventable medical errors.” ■

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