Plan Would Reslice Payment Pie

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cians. These changes would begin in January but would be phased in over 4 years.

To pay for the proposed increases in reimbursement, the CMS is required to impose across-the-board cuts in work RVUs. This could mean payment cuts for physicians who provide fewer evaluation and management services.

Moreover, the expected increase for primary care physicians could be offset by the end of the year if physicians are unable to get a temporary fix to the sustainable growth rate formula, which is expected to cut physician payments under Medicare by nearly 5%.

"The CMS proposal reinforces the urgent need for Congress to act to stop the Medicare physician payment cuts and ensure that payments keep up to practice costs," Dr. Cecil Wilson, AMA board chair, said in a statement.

For psychiatrists, CMS estimates that there will be a 2% drop in allowed Medicare charges in 2007 based on the combined impact of the work and practice expense RVU changes. Officials at the American Psychiatric Association are disappointed by the decrease in payments, said Rebecca Yowell, deputy director of the Office of Healthcare Systems and Financing at the APA. However, she said they are hopeful that depending on the services provided, psychiatrists may be able to take advantage of some of the evaluation and management codes with increased work RVUs.

The APA hopes that psychiatrists will be able to take advantage of the evaluation and management codes with increased work relative value units.

The changes were welcomed by physicians in primary care. Dr. J. Leonard Lichtenfeld said the proposed changes to evaluation and management services would help address the underfunding of primary care. Dr. Lichtenfeld, a medical oncologist, is the American College of Physicians' representative on the Relative Value Update Committee (RUC) of the American Medical Association. The RUC is a 29-member multispecialty committee that makes recommendations to the CMS annually on payment issues.

But although these changes go a long way in helping struggling physicians, it's not a complete solution, Dr. Lichtenfeld said, because it doesn't solve the underlying problem of inadequate funds in Medicare.

Primary care physicians aren't the only ones who will benefit from the increases for evaluation and management codes, he noted. Surgeons will see some benefit as well as physicians in cognitive specialties such as neurology, he said.

For Dr. Douglas Leahy, an alternate delegate to the RUC for the ACP and a general internist, the proposed increases would mean the chance to spend more time with patients.

Dr. Leahy, who works in a large multispecialty practice in Knoxville, Tenn., said that with better reimbursement for evaluation and management services, he could devote more time to important areas such as diabetes prevention or counseling family members of an Alzheimer's patient.

Specialty Societies Speak Out

Primary care groups have expressed support for the CMS proposal, but some specialties are complaining about the way the practice expense changes were calculated. The agency put out a notice asking various specialties to submit their own data for consideration by CMS. One member of the Practicing Physicians Advisory Council, which advises the CMS on issues affecting physicians, took the agency to task at the council's May meeting for allowing only some specialties to submit new data.

"I am more than a little frustrated that there [already] was a data set which admittedly was old, but it was collected from all specialties at the same time," said Dr. Tye Ouzounian, an orthopedic surgeon from Tarzana, Calif. "Now some specialties have selectively submitted new data, which is 10 years newer, which is probably going to be more extensive. Those societies are being allowed to use new data, whereas other societies were not allowed to use new data, and that's not fair."

The only way to make things fair, he said, "is to allow all societies to participate equally on the same footing with the same survey at the same time. To cherry-pick data that is 10 years newer from 4 or 7 specialties is not fair to the groups that didn't do it."

Don Thompson, senior technical adviser to the CMS, said that although he had heard similar comments from specialty societies that didn't participate in the survey, the agency also received comments from those specialty societies that did do surveys. "The thrust of their argument is that other medical specialty societies had an opportunity to do surveys and chose not to, and their assumption was those societies felt the value they had was correct."

Mr. Thompson added that the agency had invited all the specialty societies to do surveys, "and we had criteria ahead of time about what we would [need] to accept surveys. The surveys that were done that met the requirements we had proposed to use them on that basis."

Dr. Ouzounian noted that the American Medical Association was discussing coordinating a survey of practice expenses for a large number of specialties. Mr. Thompson seemed receptive to that idea.

"We would be supportive of the AMA going out and doing a survey, and if the data that resulted is better than what we have now, we'd want to incorporate that into our methodology," Mr. Thompson said.

The proposal was published in the June 29 issue of the Federal Register. The CMS is accepting comments until Aug. 21. ■

The proposed rule is available online at www.cms.hhs.gov/PhysicianFeeSched.

Associate Editor Joyce Frieden contributed to this report.

POLICY & PRACTICE

Little Help for Would-Be Suicides

Many adults with suicidal ideation don't consider getting mental health or substance abuse care, and those who do try to get care often have difficulty doing so, according to a study by Rachel Brook and colleagues at the University of California, Los Angeles, Health Services Research Center. The authors interviewed 7,800 respondents to the Healthcare for Communities survey done by the Robert Wood Johnson Foundation. They found that nearly 3.6% of U.S. adults in households with telephones reported suicidal thoughts at least once in the past 12 months. Nearly three-fourths of those respondents (74%) had a probable psychiatric disorder or substance abuse problem, and 56% perceived a need for mental health or substance abuse care, the investigators noted. Of those who perceived that they needed care, 39% did not receive any, or they received delayed care or less than they needed. "Our findings suggest a need to improve access to treatment for high-risk patients and improve provider training in caring for persons with suicide ideation," the authors wrote. The study was published in the journal General Hospital Psychiatry.

Narcotics: Top Recreational Drug

More people started using narcotic pain relievers for nonmedical purposes in the past year than marijuana or cocaine, according to a new report from the Substance Abuse and Mental Health Services Administration. According to the report, 2.4 million people 12 years old and older started using narcotics in the year before the survey, compared with 2.1 million who started using marijuana and 1 million who started using cocaine. Of those who used pain relievers, 48% used Vicodin, Lortab, or Lorcet; 34% used Darvocet, Darvon, or Tylenol with codeine; and 20% used Percocet, Percodan, or Tylox. OxyContin was near the bottom at 8%. "The initiation rates show we must continue our efforts to help the public confront and reduce all drug abuse," SAMHSA Administrator Charles Curie said in a statement. Data for the report came from the 2004 National Survey on Drug Use and Health.

National Depression Survey

People who suffer from depression and have limited access to mental health treatment incur an average of nearly three times the annual out-of-pocket costs for medication, psychotherapy, and other treatment costs compared with patients who have less restricted access, a survey from the National Alliance on Mental Illness shows. The Harris Interactive online survey of 3,500 people found that those with limited access spent $4,312 annually versus $1,496 for those with less restricted access. In addition, patients with limited access to treatment for their depression were nearly three times as likely to have unpaid bills more than 60 days overdue and more than twice as likely to be unable to afford the necessities of life. "This survey pinpoints exactly how lack of access to treatment harms the job prospects, financial situation, and personal relationships of people living with depression," said NAMI medical director Dr. Ken Duckworth. The survey was funded by Wyeth Pharmaceuticals.

Postmarketing Study Failure

The Food and Drug Administration is doing a poor job of ensuring that pharmaceutical companies live up to postmarketing study commitments, according to a new report by the Department of Health and Human Services' Office of Inspector General. Among the findings: that the FDA can't easily identify if the studies are progressing or what stage they are in; and that monitoring postmarketing studies "is not a top priority at FDA." The IG reviewed new drug applications from 1990 to 2004; 48% of those applications had at least one postmarketing study commitment for which drug makers are required to submit annual status reports. The IG found that 35% of the reports that should have been submitted in fiscal 2004 were missing or had no information on the study commitments. The IG noted that the FDA has limited enforcement power in this area, but suggested that the agency require more, and more relevant, information from drug makers. In response, FDA said it could not do that without additional regulations, but agreed that it needed to do more to improve its monitoring and to ensure that commitments are honored and that annual reports are thorough.

Group Eyes Doctor, Nurse Shortage

Experts on health care workforce issues have formed the Council on Physician and Nurse Supply. According to the council, which comes out of the University of Pennsylvania, the United States may be short by as many as 200,000 physicians and 800,000 nurses by 2020. The council plans to collect data on the physician and nurse shortage, and talk with legislators and others about how the supply can be improved. Members of the council include Dr. Richard "Buzz" Cooper and Linda Aiken, Ph.D., both of the university, as well as James Bentley, Ph.D., senior vice president for strategic policy planning at the American Hospital Association; Dr. Peter Budetti, chair of the health administration and policy department at the University of Oklahoma; Dr. David Blumenthal, director of the Institute of Health Policy at Massachusetts General Hospital; Dr. Robert Graham, professor of family medicine at the University of Cincinnati; and Dr. William Jessee, president and CEO of the Medical Group Management Association. The council is funded by AMN Healthcare, the parent company of health care staffing firm Merritt, Hawkins. Its first meeting is planned for October.

—Joyce Frieden