Local meetings will help advance CON reform when the legislature returns

With strong support of the NCOA leadership, NCOA members, and allied physician groups, efforts to reform the state’s Certificate of Need (CON) laws have gained traction over the three years we have pressed this issue at the NC General Assembly. Recent conversations with key leaders in the state House and Senate fuel our optimism for gaining even more ground in 2015. NCOA is poised to act on new opportunities. We are taking steps now to ramp up our grassroots efforts. Please contact us if you are interested in helping to coordinate local meetings with legislators. We need to confirm meeting locations and dates, and we will help notify local NCOA members to ensure a strong turnout.

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Three percent Medicaid fee cut takes effect Oct. 26

The NC Department of Health and Human Services (DHHS) recently announced that NC Tracks, beginning Oct. 26, will implement a three percent rate reduction for all physician services (PDF). This cut was passed by the NC General Assembly in 2013 and approved by the Centers for Medicare & Medicaid Services (CMS) in June of this year. The immediate cuts impact non-ACA physicians. The timing of NC Tracks’ re-processing of claims with dates of service Jan. 1, 2014 through Oct. 26, 2014 will be announced in future communications from DHHS. Physicians will be impacted by an additional one percent reduction scheduled to take effect on Jan. 1, 2015.
CMS Releases Quality and Resource Use Reports
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The Centers for Medicare and Medicaid Services (CMS) released the 2013 Quality and Resource Use Reports (QRURs) for all physicians and practices nationwide on Tuesday, September 30. The reports contain information on physicians’ performance on various quality outcomes and cost measures. Accessing this information is important to understanding the impact of the physician Value-Based Payment Modifier, which will be implemented for the first time beginning in 2015. Download the CMS Quick Reference Guide to the 2013 QRUR, which provides context for accessing and interpreting these reports. CMS also notes that the 2013 QRURs are not available for groups and solo practitioners that participated in the Medicare Shared Savings Program, the Pioneer Accountable Care Organization Model or the Comprehensive Primary Care Initiative in 2013. Read the CMS eHealth News announcement to learn more.

NCOA members look for ways to have a major impact this November and beyond

NCOA members have gotten serious about making their voices heard and having an impact in the elections this November. We are hearing from many members that this upcoming election is important to them because of the urgent need for Medicaid reform and Certificate of Need reform. With the elections just a few short weeks away, here are three ways you can be a strong advocate on these important issues:

1. Give
   Your NCOA PAC leaders are looking at a number of very competitive races and will distribute NCOA PAC funds where they can have the greatest impact this fall. Contribute online or return a contribution form (PDF).

2. Vote
   Make a plan now for how you will vote on Nov. 4. In addition to Election Day voting, North Carolina allows one-stop early voting and absentee voting by mail. Learn more about your voting options at www.ncsbe.gov.

3. Participate
   Attend the NCOA White Coat Wednesday event in Raleigh this spring (date TBD). White Coat Wednesday is our lobby day at the North Carolina General Assembly. Watch for dates to be announced in early 2015.

NCOA White Coat Wednesday, June 4, 2014.
Front (left to right): Stephen Lang, MD, Matt Olin, MD, and Michael Bolognesi, MD. Back: Laurie Onorio, Connie Wilson, Karl Stein, Richard Bruch, MD, and Alan Skipper.

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Don’t miss Dr. Michael Berend’s presentation “Outpatient Arthroplasty” at the upcoming NCOA Annual Meeting, Oct. 31 – Nov. 2

Participants at the upcoming 2014 NCOA Annual Meeting will hear an important and timely presentation on the safe and effective delivery of arthroplasty in the outpatient setting from a nationally-recognized expert, Dr. Michael Berend. Total joint arthroplasty, already common, contributes significantly to the Medicare budget, and frequency of the procedure is anticipated to increase over the next several years. As a result, the procedure is a target of scrutiny. Don’t miss Dr. Berend’s featured lecture on Saturday, Nov. 1. Reserve your seat by Oct. 28!

The NCOA Annual Meeting will take place Oct. 31 – Nov. 2, at the Omni Grove Park Inn (Asheville). The NCOA business meeting with be held during the morning session on Saturday, Nov. 1.

The symposia will highlight several current issues.

- The **shoulder symposium** will focus on different methods of rotator cuff repair fixation as well as different ways of treating injuries to the long head of the biceps. Both of these are current controversies in the shoulder world and also have cost effectiveness implications, both in terms of surgical time and implant cost considerations.

- The **total joints symposium** will cover a range of current issues in this field, including diagnosis of prosthetic joint infection, metal ion issues, and the controversy over different surgical approaches for hip replacement.

- Finally, we will have a symposium focused on implementation and costs of, and strategies for optimizing, **electronic health records**.

- Download the **registration brochure** (PDF) for additional program details.

The Southern Regional AHEC designates this live activity for a maximum of 5.75 AMA PRA Category 1 Credit(s)™. Physicians should claim only the credit commensurate with the extent of their participation in the activity.

For more information, please contact Nancy Lowe, nlowe@ncmedsoc.org, 919-833-3836.
The short session finally ends
By Connie Wilson

On Aug. 20 the legislature officially adjourned its short session, which was anticipated to end in early July. Due to the acrimonious relationship between the two chambers, there were many issues that could not be agreed on between the chambers. The budget contained a provision outlining the intent of the legislature to have a Medicaid reform session in November after the elections. This idea became one of the casualties the last week of session, thus Medicaid reform will be put on the back burner until the 2015 long session, which starts Jan. 14. There will be study commissions that meet in the interim, but the main focus will be on hotly contested legislative races.

Gov. Pat McCrory signed the budget into law on Aug. 7. The final budget included many issues important to NCOA, including:

- A one percent provider rate cut for all fee-for-service payments for services rendered to Medicaid and Health Choice recipients on or after Jan. 1, 2015, except inpatient hospital services, home care services other than personal care services, private duty nursing, drugs, dispensing fees, nursing homes, all cost-based providers, services where rates or rate methodologies are set by the federal government or negotiated through a contract, hospice, CAP services, federally qualified health centers, and rural health centers.

- DHHS must develop recommendations for applying the health care transparency requirements enacted in 2013 to additional categories of health care providers.

- The repeal of the shared savings program and a three percent reduction in payments for the following services provided to Medicaid and Health Choice patients: inpatient hospital, physician (excluding primary care until Jan. 1, 2015), dental, optical services and supplies, podiatry, chiropractors, hearing aids, personal care services, adult care homes, and dispensing drugs.

- Case weighting factor reduction: Effective Jan. 1, 2015, DHHS shall reduce by two and one tenth percent the diagnosis-related group (DRG) case weighting factors for all DRGs for inpatient services payments rendered to Medicaid and NC Health Choice recipients on or after Jan. 1, 2015. The reduction factor shall be applied uniformly to the case weighting factor assigned to each DRG.

- The Division of Medical Assistance must publish on its web site comprehensive details on Medicaid payments made to providers, including the provider’s and practice’s name and location, type of service provider and practice area, number of Medicaid patients seen, number of visits with Medicaid patients, number of procedures performed or items furnished for Medicaid patients, amount of Medicaid service payments received, and the amount of Medicaid supplemental payments received, settlement payments received, and Medicaid recoupments.

- Limits workers’ compensation physician reimbursement for prescription drugs and professional pharmaceutical services to 95 percent of average wholesale price (AWP) of the product. If a provider seeking reimbursement does not include the original manufacturer’s National Drug Code assigned by the FDA, reimbursement shall be limited to 100 percent of the AWP of the least expensive clinically equivalent drug.

- No outpatient provider, other than a licensed pharmacy, may receive reimbursement for a Schedule II controlled substance or a Schedule III controlled substance dispensed in excess of an initial five-day supply, starting on the employee’s initial treatment following injury.
For a look at 2014 legislative activity in other states, see the AAOS article “Success in the States.”

BILL HIGHLIGHTS: Legislation of Interest

- **SB 783** – Chiropractor Co-Pay Parity. Filed May 15, 2014. Re-enacts a previously repealed law that prohibited insurers from imposing a co-pay for chiropractic treatments that is higher than a co-pay for primary care doctors for comparable services. Bill was never heard in committee. Strong opposition by the business and health insurance communities along with NCOA’s opposition.

- **HB 1181** – Partnership for a Healthy North Carolina 2014. The House version of the bill, passed in early July, called for the continuation of efforts to reform the state’s Medicaid system by moving toward an accountable care organization (ACO) model. In late July, the Senate passed a version relying on a managed care model. The House voted July 30, 2014 not to agree to the Senate changes. NCOA supports the ACO Medicaid Reform model in the House version of this bill and opposed the MCO model that is in the Senate version.


NCOA PAC is up against two important deadlines

Each year, NCOA PAC works to identify state legislators and candidates who support the NCOA position on issues that matter to orthopaedic surgeons in North Carolina. Our highest priority this election year is shoring up support for Certificate of Need reform. Right now, NCOA PAC is up against two important deadlines. The current State Board of Elections reporting period ends Oct. 18, giving us just days to end Q3 with strong numbers. And, more importantly, the general election is just weeks away! You will miss the opportunity to have an impact this election year if you don’t take action now. Please take a moment to contribute online or complete a contribution form (PDF).

2014 NCOA PAC Heroes:
- Triangle Orthopaedic Associates PAC
- Frank V. Aluisio, MD
- Jeffrey C. Beane, MD
- Richard F. Bruch, MD
- Robert A. Collins, MD
- Ronald A. Gioffre, MD
- William M. Gramig, MD
- Steven R. Norris, MD
- Matthew D. Olin, MD
- Fred W. Ortmann, MD
- Kevin M. Supple, MD

2014 NCOA PAC Champions
- Julian M. Aldridge, MD
- Michael P. Bolognesi, MD
- Richard C. Mather, MD
- William P. Silver, MD
- Jessica A. Woodcock, MD

2014 NCOA PAC Friends
- Edward G. Lilly, MD
- William H. Satterfield, MD

2014 NCOA PAC Donors
- Charles H. Classen, MD

NCOA PAC Donor Recognition Levels

- **NCOA PAC Hero**
  - $1,000+

- **NCOA PAC Champion**
  - $500+

- **NCOA PAC Friend**
  - $365+

- **NCOA PAC Donor**
  - $1+
Attention Practice Managers/Administrators: EFT payment of workers’ compensation claims begins Jan. 1

Beginning Jan. 1, 2015, workers compensation carriers will be required to send payments by electronic funds transfer (EFT). Please take the time now to contact your billing company and/or clearinghouse to discuss this new functionality. As part of the NC Medical Society’s (NCMS) strategy to simplify billing and payment in workers’ compensation, the NCMS advocated for this policy on behalf of all physicians who provide care to patients suffering from job-related injuries. Also part of this strategy, providers are already required to send their workers’ compensation bills electronically. If you are not already billing electronically, please contact the NCMS for guidance on e-billing, or review the archived NCMS e-billing webinar. NCMS will be offering another educational webinar on the new EFT rules this fall for medical billing and practice staff. Please watch for additional details and join us in the effort to streamline your workers’ compensation workflows.

Time is running out for your team to be part of intensive clinical quality training

Excitement is building for the 2015 Clinical Quality Program. The deadline to apply for the 2015 Clinical Quality Program has been extended to Oct. 10 (previously reported as Oct. 5). This year-long program is a unique, intensive training opportunity for teams comprised of three members, which must include at least one physician and two additional staff members of her/his choosing. The program runs November 2014 through November 2015.

Dr. Shawn Hocker of Wilmington takes membership to a whole new level

Heeding the call to action, Dr. Shawn Hocker (Wilmington) has sprung into action, taking on a leadership role regarding NCOA membership retention and recruitment. Dr. Hocker is spearheading a state-wide recruitment effort aimed at increasing membership in the NCOA at a critical time for the association. Recognizing the importance of a strong membership to back its advocacy priorities, the NCOA won a generous $3,000 grant from the AAOS to fund recruitment efforts. Dr. Hocker is seeking the support of colleagues. Regional Ambassadors serve as point people at the local level for coordinating meetings of orthopaedic surgeons in their areas. The time commitment is minimal. If you’re interested in becoming a Regional Ambassador, please let us know.

A well-deserved “Thanks!” goes out to the following volunteers who have already committed their support.

- Matt Olin, MD (Greensboro)
- Peter Mangone, MD (Asheville)
- Chad Mather, MD (Durham)
- Jessica Woodcock, MD (New Bern)

Please watch for updates from NCOA as events are scheduled in your area.
ACCOUNTABLE CARE NEWS

New toolkit will ensure your successful transition from fee-for-service to accountable care

Members of the North Carolina Orthopaedic Association (NCOA) are working with the Toward Accountable Care (TAC) Consortium to develop an Accountable Care Guide for Orthopaedists. To prepare orthopaedic surgeons and orthopaedic practices for the shift from fee-for-service, this guide will explain in detail what an Accountable Care Organization (ACO) is, how to evaluate whether an ACO will be successful, and what the risks and benefits are for orthopaedists. The orthopaedic guide will be the 12th in a line of TAC Consortium Toolkits designed to guide physicians and medical practices through the transition to accountable care. The Accountable Care Guide for Orthopaedists will be available later this year or early 2015.

NCOA thanks the following members for their support of the project:
- Richard Bruch, MD (Triangle Orthopaedic Associates)
- Chad Mather, MD (Duke)
- Tom Dimmig, MD (Triangle Orthopaedic Associates)
- Mike Lucas, MD (High Point Orthopaedic and Sports Medicine)
- Leo Spector, MD (OrthoCarolina)

Get a learning head start with two webinars about accountable care

The NC Medical Society (NCMS) wants every physician to understand what the accountable care model is and why it is important. Featuring Dr. Terry McInnis, founder and president of Blue Thorn, Inc., a health care consulting company, two NCMS webinars provide insight into the accountable care model and why it is important for all physicians to understand this model.

- The first webinar, an introduction and overview of accountable care, was presented on Sept. 26 and a recording is available here. (link)
- The follow-up webinar on the various payment models will be held on Thursday, Oct. 16 from 6-7 p.m. Register now for this second webinar.