

2001-2002 ECONOMIC ADVOCACY AGENDA

RECENT CMA ECONOMIC ADVOCACY VICTORIES:

Aetna Preliminary Blueprint Agreement. CMA successfully negotiated reforms with Aetna which eliminate all-products clauses, require payment for vaccine administration, payment from the date a patient enrolls in a plan, and a commitment to pay actuarially sound rates.

Blue Shield Agreement - CMA is close to announcing improved contract provisions with Blue Shield.

Medi-Cal Rate Increase - From 1998-2000, CMA won significant rate increases.

Medicare E&M - CMA stopped HCFA's burdensome 1997 documentation guidelines. HCFA adopted CMA reforms for medical review and is piloting the CMA peer review proposal.

AB 1455 - Unfair Payment Practices - Establishes a payment dispute resolution process and penalizes health plans for patterns of unfair payment practices. CMA is advocating regulatory implementation which requires plans to disclose all payment rules.

SB168 - FFS Vaccine Reimbursement. Requires the health plans to reimburse any new vaccines on a fee-for-service basis until contracts can be renegotiated.

Medicare Rates Paid by Medicare Secondary Payers. - CMA aggressively advocated that Medicare secondary payers must pay Medicare rates. CALPERS is now requiring Blue Cross to pay Medicare rates. Lifeguard also agreed.

- **CMA v. Blue Cross Lawsuit** - CMA lawsuit charging that Blue Cross's 1993, 1994, and 1995 fee reductions violated contracts. CMA won the right to arbitrate the fees on behalf of all CMA physicians.
- **Workers' Compensation Increase** CMA won an increase in the E&M conversion factor.

CMA LEGISLATIVE ADVOCACY:

State Budget - Maintained for 2nd year, \$25 million augmentation to the emergency services fund.

AB 1600 (Keeley) - Health Care Provider Disputes Allows any person to challenge violations of the State's managed care laws in court and provides an alternative process to settle disputes. Two year bill.

SB 254 (Dunn), SB 117 (Speier) - Emergency Services

SB 254 overhauls California's emergency care system and provides additional funding for emergency and on-call services. SB 117 requires health plans to directly pay physicians for emergency services unless a physician organization can demonstrate a good record of paying claims. Vetoed by Governor.

AB 142(Richman) -Prohibition on Financial Risk for Injectable Drugs Prohibits health plans from imposing financial risk for injectable medications on physician groups. Vetoed by Governor.

CMA LEGAL ADVOCACY

CMA v. For Profit Health Plans(RICO) - CMA filed a class action lawsuit against California's three major for-profit health plans to preserve the viability of California's health care delivery system. CMA is seeking injunctive relief to prohibit plans from continuing a host of unfair business and financial practices.

CMA v. Aetna and 7 Health Plans - CMA filed suit to hold the health plans responsible for unpaid claims owed physicians when an IPA/ Medical Group becomes insolvent or bankrupt.

CMA v. Zingale - CMA suing the Department of Managed Health Care to protect the confidentiality of physician group financial information.

STATE AND FEDERAL REGULATORY ADVOCACY

5.4% Medicare Rate Cut - CMA working to prevent the rate reduction and implement a new payment update formula using more reasonable medical cost indices.

IPA/Medical Group Solvency Standards - CMA is working to implement law that requires financial standards for physician groups. CMA victories: Health plan now required to disclose the actuarial data and methods for developing rates and must provide the CALINX information related to patient enrollment and operations.

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- **Uniform Physician Quality Office Audits** - CMA is working to implement CMA-sponsored legislation which requires one uniform physician quality office audit to meet all private health plan standards.
- **CLIA Physician Office Lab Fees**
CMA continues to fight DHS proposed increased lab fees.

PRIVATE SECTOR

ADVOCACY

Aetna Negotiations - Upon completion of the initial blueprint agreement, CMA continues to negotiate additional contract issues including fee schedule disclosure and an actuarial rate model.

Blue Shield Negotiations - CMA is engaging in negotiations with Blue Shield to develop a model contract.

Reimbursement Advocacy Programs and Services - CMA reimbursement experts provide physicians personal assistance with specific reimbursement issues, including coding and documentation, appeals, payment and collections with government and private payers - 888-401-5911.

Medical Group/IPA Insolvency or Bankruptcy Assistance - CMA provides assistance to physician groups and their subcontracting specialists facing insolvency, closure, bankruptcy or contract termination.

Capitation Guide - New CMA/AMA/Mercer guide provides California benchmark rates to help physicians assess the adequacy of health plan payment rates.

Rate Increases - CMA working with large California purchasers CalPERS, PBGH & Medi-Cal to ensure recent health plan premium increases are passed through as rate increases to contracting physicians.

CMA Instant Information System (CMA On-Call) - Provides informational documents for frequently asked legal, reimbursement, contract and managed care questions. (To obtain visit www.cmanet.org or call 1-800492-4262).

CMA Model Managed Care Contract - To obtain visit CMA website, select CMA "On-Call" and find document #1069 or call 800592-4262.

Contract Analysis - CMA contracted attorneys provide detailed analysis of contracts. Analyses of widely distributed contracts are available free to members at www.cmanet.org.

Educational Seminars - With the county medical societies, CMA offers educational programs focusing on practice management issues. Mini Consult Program - CMA Reimbursement Advocates visit County Medical Societies, where on a pre-scheduled basis, they are available to assist CMA members with specific reimbursement issues.

"CMA deserves the Bronze Star of Excellence award for the help it has given me with my Workers' Compensation problems. CMA knows how to get results, and gets them effectively and rapidly."

Philip L. Levy, M.D.

'I cannot thank you enough for the time and effort you have shown me ... The help and information you have given our office has made a world of difference in our collections and office procedures. I owe you so much more than just a simple "Thank You" but at this time, it really means a lot to us.'

*Sherry Armstong,
Office Manager John
Rowe, M.D. Inc.*

"On behalf of the Council of the Alameda-Contra Costa Medical Association, I wish to thank the California Medical Association for continuing to provide its reimbursement "mini-consultation program..." The program is extraordinarily beneficial to members and is an excellent membership retention and recruitment tool. I hope that the CMA will continue to vigorously support this wonderful program..."

*Sharon B. Drager, M.D. President,
ACCMA*