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The JPA Examiner

Inside this Issue: *We're just a click away—www.JPAdocs.com* A publication of the Jackson Physicians Alliance, PC

- Payer News
- 'ePrescribe' and Get Bonus
- HCNN - Online Recalls and Safety Alerts
- Helping Your Practice Thrive
- Welcome Career Quest
- Improve Your Operational Efficiencies
- Save the Date
- Flu Clinics - An Opportunity
- In the Door

2 **Medical Homes gain momentum**

2 The concept of a "Patient-Centered Medical Home" (PC-MH) is the national buzz.

3 A model of care designed to put the needs of patients first, the concept is receiving a great deal of attention as an alternative to traditional disease management approaches. It provides for coordinated and integrated care across all elements of the healthcare system.

4 Essentially, the PC-MH is the base from which health care services are coordinated to provide the most effective and efficient care for the patient. This includes the use of health information technology, the coordination of specialty and inpatient care, the treatment of acute and chronic illnesses and more. The medical home is founded on several components:

- Enhanced self-management by patients of their condition;
- An organized and sophisticated delivery system;
- Evidenced-based support for clinical decisions;
- Information systems; and
- Links to community support groups.



"The vast majority of care should be coordinated through a primary care physician," said Robert Berenson, M.D., a senior health policy fellow with the Urban Institute.

Each patient has an ongoing relationship with a personal physician trained to be the first contact, coordinating comprehensive care on behalf of the patient. A team

See Medical Homes page 2

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MANDATES RAISE CONCERNS FOR HEALTHCARE INDUSTRY

CMS issues rules for ICD-10 code sets and new HIPAA transactions

The Centers for Medicare & Medicaid Services (CMS) released a proposed rule to require medical groups to shift to a new, greatly expanded health care coding system on Oct. 1, 2011. The proposed rule would mandate a move from the International Classification of Diseases, Ninth Revision (ICD-9) to the International Classification of Diseases, Tenth Revision (ICD-10). It would mean that medical groups and other health care organizations would have to use

155,000 diagnosis codes rather than the current 17,000 in ICD-9. Also, codes in ICD-10 use a new alphanumeric structure.

CMS also released a proposed rule to adopt updated Health Insurance Portability and Accountability Act (HIPAA) electronic transaction and pharmacy standards. The proposal agrees to X12 Version 5010, National Council for Prescription Drug Programs (NCPDP), a new standard for Medicaid subrogation, and NCPDP version 3.0 for pharmacy claims, with an effective

See Mandates page 3

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Payer News

Priority Health



Patient Profile changes

The Patient Profile registry tool was recently updated to reflect weekly updates for blood pressures entered in Supplemental Data for diabetic and hypertension measures, as well as asthma optimal ratios. You will now see weekly updated "P" status for both blood pressure and asthma members. All other measures are updated monthly and correspond with that month's Key Indicator Report. Patient Profile fields are populated in one of two ways: First is at the time Priority Health processes a claim, the Primary Care Physician (PCP), and specialist when applicable, receives credit for the service. The second way is if a provider completes a service but no claim is received (for instance, Medicare pays in full for mammograms so no claim is sent to Priority Health), then the provider must enter the results in Supplemental Data in Patient Profile. The provider office also is responsible for entering blood pressure readings, and in some cases, laboratory results in Supplemental Data.

Generic drug news

Many new generics became available during the first half of 2008. The summary that follows is listed by brand name, generic name and therapeutic class, respectively.

Activella, **estradiol/norethindrone**, Endocrine – Altace, **ramipril**, Cardiovascular – Dovonex solution, **calcipotriene**, Dermatologic – Fosamax, **alendronate**, Endocrine – Precose, **acarbose**, Endocrine – Protonix, **pantoprazole**, Gastrointestinal – Requip, **ropinirole**, CNS – Risperdal, **risperidone**, CNS – Sonata, **zaleplon**, CNS – Wellbutrin XL 1 50mg, **bupropion XL**, CNS – Zyrtec OTC, **cetirizine**, Antihistamine

Pharmacy & Therapeutics Committee formulary update

On May 20, 2008, the Pharmacy and Therapeutics (P&T) Committee met and reviewed several drugs, policies and prior authorization criteria. Please visit priorityhealth.com and click on Approved Drug List for details regarding drug coverage.

Medical homes

From page 1

approach is utilized incorporating the patient, patient's family, and personal physician into a formalized health care planning process.

"I think it is time to recognize that a one-size-fits-all physician payment system may no longer work properly to support the increasing diversity of physician activity that has resulted from industry sub-specialization," Berenson said.

HCNN - online recalls and safety alerts

The Medical Group Management Association has worked with the Food and Drug Administration, the American Medical Association, state medical societies and liability carriers to provide a new service - the Health Care Notification Network (HCNN). Register with HCNN and receive drug and medical device recalls and safety alerts online, replacing the current paper process that is slow, error-prone and provides no alerts to practice administrators.

BCN



PCPs partner with BCN

The PC-MH recognizes patients and their primary care physicians as partners in the management of the patient's care, with an emphasis on chronic disease management and prevention to maintain long-term health. The PC-MH movement encourages a return to the strong physician-patient relationship familiar in small-town family practitioner days.

In 2007, Blue Care Network collaborated with Meijer Inc. to create Premier Health Network, a self-funded health coverage option unveiled during Meijer's fall 2007 open enrollment. Premier Health Network is modeled after BCN's very successful Healthy Blue Living commercial product, which rewards members with lower premium rates for compliance with Plan guidelines and their PCP's health care recommendations. In addition to Healthy Blue Living guidelines, Premier Health Network utilizes a select network of PCPs who have demonstrated knowledge and understanding of the PC-MH and incorporate evidence-based programs in their practices.

Chronic disease reimbursement pilot underway

As of July 1, BCN has been conducting a six-month pilot broadening the range of conditions for which chronic disease self-management education is reimbursed. In addition to diabetes education (procedure codes G0108 and G0109), disease management education is covered for members with asthma if the following criteria are met:

- A licensed or registered health care professional with special educator certification for the condition provides education;
- The patient has been diagnosed with the condition for which the education is provided.

Coverage is provided for one educational course at the time of the initial diagnosis and no more than one subsequent session for reinforcement annually thereafter. Use one of the following procedure codes when billing for this service: 98960, 98961, 98962 or 99078.

Doctors Who 'ePrescribe' Get Bonus Payment

Under the Medicare payment bill that became law in July, physicians who prescribe electronically for Medicare Part D patients in 2009 will get an incentive payment equal to 2% of all the Medicare services they provide for the year. This bonus will phase down over five years and disappear at the beginning of 2014.

Starting in 2012, physicians who are still paper-only will see a cut in their total Medicare payment for the year. A physician may be exempt from penalties if Medicare determines that compliance would represent a significant hardship. The US Centers for Medicare & Medicaid Services (CMS) will issue rules determining how the incentive system will work and when bonuses will be paid.

Helping Your Practice Thrive in Trying Times

By Sean M. Weiss, CPC, CCP-P, CCP-P, ACS-EM, PCS

With the current economic downturn, healthcare executives want to ensure that physician compensation remains intact and their organizations as a whole survive.

Congress staved off a nearly 11-percent reduction in Medicare payments to physicians and a five-percent cut for 2009. However, this is merely an 18-month “stay of execution.” The federal system needs long-term solutions to reimbursement to avoid future cuts. These solutions will take time to identify and implement and won’t address your short-term concerns.

But all is not lost. These issues are opportunities for organizational improvement. There are solutions you can implement now to offset rising costs and negate future reductions in reimbursement. One area with an immediate return-on-investment is insurance carrier and patient collections. Here are simple calculations to figure out your

collection rates:

- **Gross Collection Rate** (payments ÷ charges)
- **Net Collection Rate** [payments ÷ (charges minus adjustments)]
- **Months of charges in A/R** (total A/R ÷ average monthly charge).

For example: Over a 90-day period, a physician has gross charges of \$80,000, \$72,000 and \$81,000. The A/R for the period is \$215,000, of which \$100,000 is 121 days plus; \$35,000 is 91–120 days; \$27,000 is 61–90 days; \$32,000 is 31–60 days; and \$73,000 is current–30 days. Why was the practice was working harder but seeing no additional money? Because approximately 40 percent of their A/R is out past 121 days. The reality of them ever seeing that money is slim. 40% is a lot of A/R to lose, which is precisely what they were doing.

A practice wants to keep the vast majority of its accounts receivable under a 60-day window. The longer the number of days of accounts receivable, the lower the chance of ever receiving the monies. During this time of economic downturn, aggressive management of accounts receivable is needed.

Welcome JPAs Newest Preferred Vendor

Do you need an extra pair of experienced hands in your office? Now you can get that experience from JPA’s newest Preferred Vendor – Career Quest Learning Center.

Career Quest Learning Centers, Inc. is a post-secondary institution providing training to adult learners in allied health careers. Career Quest students are available to members as “externs” and possible future employees. There is no charge for placement in the practice should an opportunity develop.

At Career Quest’s Jackson Campus, they offer Medical Assistant and Medical Administrative Assistant training.



**CONTACT VANCE HILLS,
AT (517) 990-9595 OR
AT VHILLS@CQLC.EDU**

Career Quest Learning Center is licensed by the State of Michigan and nationally accredited. Their programs are also approved by the American Medical Technologists and the National Center for Competency Testing, so graduates can become certified as Medical Assistants or Medical Administrative Specialists.

The Jackson Campus is located in the Commonwealth Commerce Center, 209 E. Washington Avenue, Suite 241, Jackson, Michigan 49201. For more information, contact Vance Hills, the Career Services Coordinator, at (517) 990-9595 or at VHills@CQLC.edu.

Mandates

From page 1

date of April 1, 2010. The updated version of HIPAA electronic transaction standards includes claims, claim status, remittance advice, eligibility inquiries, referral authorization and other widely used transactions.

Version 5010 of the electronic standards must be in place to accommodate ICD-10 codes. In setting an accelerated compliance date of April 1, 2010, CMS did not follow the recommendations of the federal advisory body, the National Committee for Vital and Health Statistics, the Medical Group Management Association and others calling for a minimum 24

-month implementation timeframe. The compliance date of Oct. 1, 2011, for ICD-10 will require many medical groups to implement both mandates simultaneously.

MGMA has raised concerns for several years regarding appropriate timing for adopting ICD-10. They remain concerned that the government has overestimated the benefits and underestimated the costs that medical groups will experience in adopting these new standards. MGMA will continue to advocate a transition to ICD-10 only after the 5010 electronic transactions standards are fully implemented and tested. JPA will keep you posted.



Don't Miss

Mark Your Calendars For
PRACTICE MANAGER FORUM
From 8 a.m. to 9 a.m. October 14, 2008

Mark Your Calendars For
CODING SEMINAR
November 18, 2008



Don't Miss

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**Making
Healthcare Better**

Improve Your Operational Efficiencies

JPA has negotiated a 5% discount for any JPA practice that conducts a Practice Audit of their business operations with Raybar Group. This assessment will help identify opportunities to improve office efficiencies with a focus on revenues, workflow, coding and billing processes.

The Rybar Group evaluates the overall patient flow from

Check it out!

appointment scheduling and registration to claims reconciliation, workflows and processes at patient access points to identify opportunities to improve operation.

If you are interested in meeting with someone from The Rybar Group to discuss a practice audit and receive a quote, contact Claudine Hildreth at 810-750-6822 or e-mail childreth@theybargroup.com.

In the Door

**Welcome the
following new
JPA physician
members:**

Dr. Christopher
Pheifer
[Surgery]



Save the Date!!

JPA Appreciation Dinner

On November 12, 2008, JPA will host a Practice Managers Appreciation Dinner. Join the fun, good food, lots of laughs and great door prizes.

Flu Clinics -- An Opportunity

Flu Clinics will begin soon, and they can serve as an opportunity to proactively contact patients who need other services. While patients are showing concern for their health, this is the opportune time to remind them about scheduling other needed services. While checking the patient in, front desk personnel could check their EMR or chart for other needed services. Check out personnel could ask if the patient would like the service scheduled or ordered. Or, merge a reminder of needed services with mailed Flu Clinic reminder cards.