



American College
of Physicians
American Society
of Internal Medicine

PENNSYLVANIA CHAPTER

PENNSYLVANIA COLLEGE OF INTERNAL MEDICINE

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UPDATE FROM PCIM

January 2003

Editor's Note: This mailing is a periodic communication with the members of PCIM. Your comments and suggestions are welcome and should be sent to pcim.hq@verizon.net.

Annual Meeting Is A Winner

Pennsylvania internists, residents and medical students enjoyed a variety of scientific programs and special events at the Annual Meeting held October 11-13 on the University of Pennsylvania campus in Philadelphia. Many thanks to our Program Chair, Dr. Allan Tunkel.

The symposium on **Medical Ethics** included presentations on Ethics and End-of-Life Care and Stem Cells and Cloning. A symposium on **Health Maintenance and Prevention** offered presentations on Weight Control for Health, Cancer Screening, Primary and Secondary Prevention of MI and Adult Immunization.

Current updates were offered on Endocrinology, Gastroenterology, Pulmonary/Critical Care Medicine, and Infectious Diseases.

Sunday morning highlights included a standing room session for residents entitled "Getting Started in Medical Practice." Simultaneously there was a popular "Residency Options in Internal Medicine" program for medical students while practicing physicians were brought up to date on both the Malpractice Insurance situation in Pennsylvania and "ABIM Recertification."

University of Pennsylvania Wins Jeopardy

Congratulations to the University of Pennsylvania following their victory at the PCIM Annual Meeting Medical Jeopardy tournament held October 12. Qualifying by besting other Teams in the Southeastern Region, Penn faced Western Penn and Geisinger in the finals. The competition was moderated by **Martin Evers, MD**. Earlier state-wide coordination was provided by **Lazaros Nikoladis, MD**. The winning team members are **Andrew Armstrong, Sumeet Mainigi, Giora Netzer**, coach **Karen Warburton**, and alternate **Martin Reis**.

The team from Western Penn Hospital included **Haifaa Abdulhaq, MD, Mohammed Morsy, MD, Paul Entler, DO, Nimeshkumar Vesuwala, MD**, (alternate) and team coach **Fadi Alfayoumi, MD**.

The team from Geisinger Medical Center included **Sally Ferguson-Avery, MD, Mohd A. Mirza, MD, Kishore K. Pachipala, MD**, alternate **Hamid Mukhtar, MD** and coach **George M. Tadros, MD**.

The team from the University of Pennsylvania will represent the Pennsylvania Chapter at the ACP-ASIM Annual Session in San Diego, April 3-5, 2003.

GOVERNOR'S LETTER

Ralph Schmeltz
Western Pennsylvania Region

The last few weeks have been troubling ones for physicians in the nation and Pennsylvania. Congress has not passed legislation to roll back the 4.4% cut in Medicare reimbursement that was scheduled to go into effect Jan 1. The reduction has been administratively postponed to Feb 1, so there is still time to contact your senator and representative and urge them to correct the predetermined formula so this and future changes will better reflect the reality of the practice situation. At the same time the deadline to notify CMS of your ongoing participation in the program has also been moved to Jan 31. It creates a problem for many of us who may no longer be able to see Medicare patients without losing income. ACP-ASIM's website has a "question and answer" guide which will allow you to analyze your own situation and help make your own decision about ongoing participation.

(<http://www.acponline.org/advantage/>)

The medical malpractice crisis continues unabated. Governor Schweiker's action delays payment of the surcharge to the Mcare fund but does not eliminate or reduce the amount we owe. Governor Elect Rendell has appointed a task force to make recommendations but as of the time I write this column the group is heavily weighted to the bar.

Congratulations to Herb Diamond MD, FACP who has won the election as your next Governor. Herb will serve as Governor Elect Designee and becomes Governor Elect in April 2003, taking over as Governor in April 2004. Congratulations as well to Doug Clough who will join as a member of the Governing Council.

Our organization can only be as strong as the membership. Participate when asked; better yet, contact us if you have an issue that is of concern. If it's bothering you, it's a problem for others as well. We just might be able to help.

<p><u>Committees – Please Join Us</u></p> <p>Health and Public Policy</p> <p>Medical Services and Clinical Practices</p> <p>Membership</p>
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ELECTIONS SPELL CHANGES IN HARRISBURG

The November 5 elections resulted in significant changes that will affect the decision-making process on matters affecting internal medicine in Pennsylvania. From the top of the ticket to state House races, changes will take place that will impact on leadership and policy.

Governor-elect Ed Rendell won a comfortable victory over Attorney General Mike Fisher, in the process, outlining his plans for health care and medical reform. For the first time, PCIM submitted questions to the candidates, and received responses from both major party candidates. Rendell's answers to some PCIM questions can be found elsewhere in the UPDATE.

The state's Congressional delegation is now 12 Republicans and seven Democrats, instead of the 11-10 GOP margin from last session. This change could result in a net gain of four votes on federal legislation on Medicare fee updates and tort reform - both positives for internists.

The state Senate remains in Republican control with 29 GOP and 21 Democratic members. Major changes will be seen in Senate Committee chairmanships. The death of Sen. Clarence Bell, who for decades oversaw professional licensure issues, and the resignation of Sen. Edwin Holl, who similarly controlled insurance issues, will create a domino effect as senior members move into new committee slots.

House Republicans actually picked up four seats despite the Rendell win, giving the GOP a 109-94 advantage. Republican leadership has pledged to continue working with PCIM and the physician community to fix the health care crisis in the Commonwealth. Some minor committee changes can be expected in the House as well.

Governor-Elect on Med Mal Crisis

Governor-elect Rendell has said his plan for solving the medical malpractice crisis would be similar to the plans he announced during the campaign.

Among his proposals were:

1. Requiring plaintiffs and their attorneys to certify that existing law warrants their claims or face sanctions.
2. Using state bonds to cover unfounded potential malpractice claims and reduce the Mcare surcharges.
3. Seeking a 10-15 percent increase in federal Medicaid reimbursements for some physicians in high-risk specialties.
4. \$25 million funding for trauma care hospitals
5. Allowing physicians to jointly negotiate with insurers for reimbursement, and attracting more HMOs to Pennsylvania.
6. Working to weed out "bad actors" - two percent of physicians account for 40% of malpractice lawsuits.
7. Better oversight to make sure insurers set fair and reasonable rates.
8. Support for a Constitutional amendment to allow caps on punitive damages.

GENERAL ASSEMBLY

Medical Malpractice Update

In June the General Assembly passed a major change in the legal system, abolishing the premise

of joint and several liability for lawsuits of more than \$1 million in Pennsylvania. Defendants will now be held responsible ONLY for their share of an award equal to the proportion of their responsibility for damage or harm. This could provide long-term benefits in relation to medical malpractice costs. On September 23, Governor Schweiker challenged the General Assembly to take action to solve the medical crisis to stop doctors' flight from the Commonwealth. In October, the Governor signed legislation that mandates lawsuits be filed in the county in which the alleged medical malpractice occurred. And in November, the JUA was ordered to establish a 15 percent discount on premiums for physicians claim free for eight years.

PCIM has been working intensely with the Governor's Office, the Insurance Department and the General Assembly for further actions to assist internists. In addition, PCIM joined with others to seek additional relief for physicians, including a constitutional amendment to allow caps on non-economic damages, reductions in the minimum mandated coverage, a ten percent tax credit for physicians on all malpractice premiums, use of the Blues' reserves or tobacco funds to reduce the MCARE fund liability, and binding arbitration on medical malpractice lawsuits.

Regulation of Nurse Practitioners

PCIM has consistently opposed legislation to eliminate the Medical Board's authority to determine the scope of practice for Advanced Practice Nurses. Legislation (SB 1208) was introduced to place all nurses with advanced training under the jurisdiction of the Board of Nursing, rather than the Board of Medicine. After months of negotiations, PCIM continued its efforts to hold this bill from a final vote. Working with the Pennsylvania Academy of Family Physicians and other medical associations, we were able to force language in the bill that codifies the collaborative agreement language from regulations and establishes a drug formulary committee composed of physicians and nurses to determine nurse prescription capabilities within collaborative agreements.

Blues Reserves Hearings

This fall, the State Insurance Commissioner held public hearings on the reserves, surpluses and profit-making subsidiaries of the Blue Cross and Blue Shield Plans serving Pennsylvania. PCIM submitted testimony to the Commissioner, and to the House Democratic Policy Committee.

PCIM told the Commissioner, "it is time to return the Blues plans to their mandate." In his letter, president Ralph Schmeltz, MD, asked Commissioner Diane Koken to immediately convene the public hearings on the Highmark merger; to give more intense scrutiny to rate hike requests from the Blues plans, including public hearings; to work with the other state officials to enforce the charitable mission of the Blues plans, including income from the for-profit subsidiaries; to work to develop a plan to utilize the reserves to fulfill their charitable mission; and to review the enabling legislation that created the Blues plans and determine whether the laws governing the Blues are appropriate in the 21st century economic and health care environment.

Joint Negotiations

The stakeholder meetings on joint negotiations were shuffled aside as the med mal crisis became a front burner issue in the General Assembly, but PCIM continued to maintain pressure on the legislative leadership to take the issue up as a part of the overall need for improved reimbursement, control of insurers and cost control for physicians. PCIM has taken its concerns about the larger issues of monopoly power, refusal to negotiate, credentialing, and reimbursement to the legislative leadership and Ed Rendell. Governor-elect Rendell is on record as supporting joint negotiations, and PCIM will seek to renew these discussions early in the 2003-2004 session of the General Assembly.

Key Contacts Sought

Developing relationships with elected officials is a critical part of the PCIM public affairs strategy in the coming legislative session. While Capital Associates provides direct lobbying in the state

capitol, Senators and Representatives need to hear from internists in their home districts. If you are willing to serve as a key contact, or have an established relationship with these officials, contact the PCIM headquarters at 1-800-846-7746.

We Thank Our Meeting Sponsors

PCIM gratefully acknowledges unrestricted educational grants for the 2002 PCIM Annual Meeting from *Cubist Pharmaceuticals* and *AstraZeneca*. *Pharmacia* participated as an exhibitor.

SAVE THE DATES – PCIM Annual Meeting will be October 24 – 26, 2003 in Harrisburg.

Abstract Competition Announces Winners

In this year's Associates' Program, chaired by Dr. Asher Tulsy and Dr. Glenn Eiger, Residents from across the Commonwealth submitted 118 abstracts; 75 were invited to present at the Annual Meeting in the poster competition. The top five were invited to make give oral presentations to the Sunday general session. Congratulations to **Mehran Toghanian**, Easton Hospital; **Sonia Badreshia**, Hershey Medical Center; **Sumapa Chaiamnuay**, Albert Einstein Medical Center; **Lalit Kanaparthi**, University of Pittsburgh-McKeesport; and **Ajay Tripuraneni**, Mercy Hospital-Pittsburgh.

The poster winners were **Natalia Volkova**, Hershey Medical Center; **Angel Caldera**, Albert Einstein Medical Center; **Piyush Mittal**, University of Pittsburgh Medical Center-McKeesport; **Steven Ting**, Thomas Jefferson University Hospital; **Haritha Avula**, University of Pittsburgh-Shadyside; **Chakravarthy Maddipati**, Mercy Hospital-Pittsburgh, and **Navtika Desai**, St. Luke's Hospital.

Q & A from Ed Rendell

Note: Prior to the election, PCIM asked candidates Rendell and Fisher to respond to our specific questions by the PCIM Council. Mr. Rendell's answers below were compiled by John Nikoloff.

1. Access to healthcare is a critical need in Pennsylvania. Do you have any concrete plans to improve access to care, and if so, what would your Administration do to expand this availability?

As Governor, I will increase insurance coverage by seeking a Federal Health Insurance Flexibility and Accountability Act (HIFA) waiver to provide insurance to a wider universe of Pennsylvanians—nearly 50,000 additional citizens. Further, I will emphasize outreach efforts to reduce barriers and target individuals who are currently eligible for the State Children's Health Insurance Program (SCHIP) and Medicaid Programs but are not enrolled and seek federal authority to expand SCHIP. To supplement these efforts, I will also provide Community Health Centers with an additional \$25 million in state dollars and seek further federal funding, while also fighting to expand the Commonwealth's benefit from Federal National Caregiver Grants.

As Governor, I will work to dramatically expand the access to and affordability of prescription drugs for Older Pennsylvanians. On the state level, I will shore-up the financial stability of the state's PACE and PACENET programs by improving the profitability of the state lottery system and ensure that Pennsylvanians benefit from discount purchasing programs of prescription drugs on the state level. If private sector programs are found to be insufficient, I will decisively move to initiate the bulk purchasing of prescription drugs on the state level. I will also continue to aggressively lobby the Federal government for a full Medicare prescription drug benefit.

2. Do you support passage of a state antitrust statute to insure competition in the health insurance market?

I believe current law, if properly enforced, is acceptable. I would, however, be open to considering more information on the subject.

3. Do you support a Constitutional amendment to allow caps on non-economic damages?

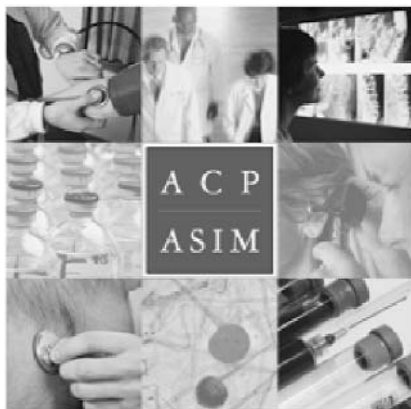
I support caps on punitive damages. Caps on non-economic damages will require a Constitutional amendment, which is a 2-4 year process – we cannot wait that long. Moreover, I have personal reservations about imposing such caps.

4. The Insurance Department has been dominated in recent years by Commissioners who came from the insurance industry, and returned to lucrative positions in the industry at the end of their tenure. Would you consider appointing an Insurance Commissioner who would serve as a consumer advocate, rather than someone who owes their position to the insurance industry?

As Governor, I will increase the oversight of medical malpractice insurers by the Insurance Department. My Insurance Commissioner will be a watchdog to ensure that rates are fair and reasonable, that rate setting practices are financially and actuarially prudent, that insurance companies do not use releases of reserves to manipulate their profitability, and that appropriate controls on investment practices by insurance companies doing business in Pennsylvania are followed. (Continued on back page.)

ACP-ASIM

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***PCIM Governor's Newsletter
Western Pennsylvania Region***

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5. Five years ago, the Insurance Department was ordered by Commonwealth to Court conduct hearings over whether the proposed consolidation of Highmark and transfer of its subsidiaries was legal. Without hearings Highmark and IBC have solidified market dominance over 2/3 of the state, possibly illegally. What will you do as governor to insure that this review is completed?

I will direct the Insurance Commissioner to conduct all appropriate due diligence regarding the matters pertaining to Highmark and IBC.

6. Several of the state's "Blues" organizations have publicly expressed a desire to merge, which would further consolidate their market dominance. Would you support such mergers? If so, under what circumstances?

I will identify as a priority the attraction of more managed care companies to Pennsylvania. By creating additional competition on the managed care side of the health care equation, I believe we can create a more competitive marketplace for the negotiation of provider reimbursement rates. The health insurance market here is controlled by only a handful of insurers. As with any market with only a few players, the Commonwealth must be vigilant for any signs that providers, consumers or the taxpayers are being disadvantaged by a lack of competition. Moreover, some of these large insurers are non-profits that have publicly stated their interest in converting to for-profit status. If this occurs, they should be required by law to dedicate a portion of their sizable assets to the establishment of a foundation to benefit the public interest, as has been done recently in many states.