Moratorium on Inpatient Rehabilitation 75 Percent Rule Enacted

Congress put a moratorium on enforcement of the 75 Percent Rule for inpatient rehabilitation services until 60 days after the Government Accountability Office (GAO) completes its formal assessment of the rule’s impact on access to the services. HHS would reissue the rule after taking into account GAO’s recommendations.

This rule requires a facility to show that during its most recent 12-month cost reporting period, it served an inpatient population of whom at least 75 percent required intensive rehabilitative services for the treatment of one or more of 10 specified conditions.

As currently applied, this rule creates problems within the rehabilitation community because its enforcement is inconsistent and the rule itself is out-of-date. Since the Centers for Medicare & Medicaid Services (CMS) first implemented the 75 Percent Rule, the number of medical conditions that can be appropriately treated with rehabilitation services has changed. The original 10 conditions established two decades ago are now too narrow and do not reflect the needs of all patients.

CMS’s adherence to this rule hinders the ability of rehabilitation providers to accept all patients who require medical rehabilitation services. With the current 75 Percent Rule in place, patients in need of Medicaid rehabilitation are potentially denied access because rehabilitation providers fear running afoul of the 75 Percent Rule and risk losing their status.

WHA will continue to follow this issue and work with CMS to update the conditions rehabilitation facilities must meet to qualify for reimbursement under Medicare.
PAs Offer Patients Access to Medical Services as Doc Shortage Looms

In a news release issued last week, the Wisconsin Academy of Physician Assistants (WAPA) drew attention to the physician shortage and the fact that physician assistants can free up physician time while offering patients more access to care. The WAPA pointed to the report issued by the Wisconsin Hospital Association and the Wisconsin Medical Society (WMS) that stated a “current need exists for physician services and that the problem will likely grow worse in the future.” WAPA says one solution to improving patient access to medical services is greater utilization of physician assistants (PAs).

Physician assistants practice medicine with physician supervision, providing a comprehensive range of medical services – from primary care to surgical assisting and even the medical subspecialties. In Wisconsin, PAs are licensed by the state Medical Examining Board to conduct physical exams, order and interpret tests, diagnose and treat illnesses, counsel on preventive health care, assist in surgery, perform nursing home and hospital rounds, and prescribe medications.

“With the state facing a growing shortage of physicians, PAs are able to step in alongside their supervising physicians to help carry the burden,” explained Jeff Nicholson, M.Ed., PA-C, president of WAPA and program director at the University of Wisconsin-Madison PA Program. “PAs can free physicians to handle the more complicated cases that come into a hospital, a clinic, or private practice.”

PAs in Wisconsin practice as members of the medical team, working with their supervising physicians to expand access to medical care. A 2004 census report just released by the American Academy of Physician Assistants estimates 28 percent of the approximately 1,100 PAs in Wisconsin work in non-metropolitan areas. Five percent work at federally qualified health centers or community health facilities.

According to WHA and WMS, there is already a shortage of primary care physicians in rural Wisconsin and inner city Milwaukee. “Our report recommends developing new care delivery models and providing funds for pilot projects demonstrating team care models as two ways to alleviate the shortage of physician services,” said WHA Senior Vice President George Quinn. “Physician assistants would play an essential role in these models.”

The U.S. Bureau of Labor Statistics (BLS) projects the physician assistant profession will be the third fastest growing profession in the country between 2002 and 2012. The BLS predicts that the number of physician assistant jobs in the U.S. will grow by 49 percent during this period, while total U.S. employment is projected to increase by only 15 percent.

PAs are educated in medicine, nationally certified, and licensed individually by the state. There are three nationally accredited PA educational programs in the state at the UW-Madison, UW-La Crosse, and Marquette University.

Member News: Smith Elected to AHA RPB 5

Linda Smith, executive vice president of Aurora Health Care’s northern region, has been elected to the American Hospital Association’s Regional Policy Board 5 (RPB 5). The regional policy boards meet three times a year to discuss policy issues and alternatives. The AHA Board uses the RPB’s recommendations and analyses in its policy deliberations.
Three national organizations released results of a survey last week that demonstrate just how challenging the task is to connect with consumers on safety and quality improvement efforts.

The Kaiser Family Foundation, the Agency for Healthcare Research and Quality (AHRQ), and the Harvard School of Public Health released a national survey on *Consumers’ Experiences with Patient Safety and Quality Information*. The results provide a road map that can direct quality and safety improvement initiatives toward understanding what consumers need.

Specifically, over half (55 percent) of the respondents said they are dissatisfied with the quality of health care. But, when asked just how they determine the quality of care they receive, many respondents defined quality to mean “affordability” and “insurance coverage.” Only 4 percent of survey respondents actually mentioned medical errors and patient outcomes as being their definition of quality.

Not surprisingly, anecdotal information from friends and family members is the source that two-thirds of the public use in comparing the quality of different hospitals, doctors and health plans. Only 37 percent of respondents indicated that information from an Internet site that posts quality information is important to them. That percentage, however, soared over the past four years, indicative of an important trend.

This new national survey presents a treasure trove of useful information that we can use to make sure that initiatives like *CheckPoint*® are meaningful and relevant to consumers. This brief discussion hardly begins to cover the breadth of findings, which can be accessed at [www.kff.org](http://www.kff.org).

Regulatory activity in Florida provides a clear example of what can happen when providers fail to address information needs that purchasers and consumers say they want. Transparency, as defined by government in the absence of a meaningful provider-led agenda, can be pretty ugly.

For example, recently passed Florida legislation requires the state to collect hospital-specific acquired infection data and release reports to the public. In addition to a variety of not-so-insignificant technical issues yet to be determined (e.g., how do you separate hospital-acquired infections from community-acquired infections), how about the consequences of making this data available to the plaintiff’s bar? That’s particularly problematic in a state already facing a huge medical liability coverage crisis.

Wisconsin’s provider-led initiatives are a significant reason not to pursue a regulatory “solution.” That’s also why these efforts must evolve in a manner meaningful to purchasers and consumers.

Ford Motor Company CEO William Clay Ford, Jr. says that runaway health care costs are “destroying the competitiveness of this nation’s auto industry.” Noting that Ford now provides coverage to over a half million employees and retirees, Mr. Ford calls health care inflation “unsustainable.”

But just what is the auto industry doing to address skyrocketing utilization? Some have described auto industry-provided health insurance as “Lexus” coverage (well….maybe “Cadillac” or “Lincoln” coverage). Why should small business owners and individuals pay higher income taxes to bail out Big 3 auto companies that made collective bargaining decisions that enabled their predicament? And that’s exactly what at least some within this group appear willing to support.

Steve Brenton
President
Learn to Improve Your Cash Flow at WHA’s December 15 Seminar

All business office managers, reimbursement managers, contract specialists, chief financial officers, and others charged with minimizing claims denials and/or negotiating managed care contracts should plan to attend the December 15 seminar “2005 Denials Management and Managed Care Contract Update.”

Attendees will learn ways to develop and maintain an effective system for improving cash flow and minimizing claims denials. The seminar will focus on the process of properly submitting claims, collecting payment and meeting coding and documentation compliance. Additionally, the seminar will focus on improving managed care reimbursement contracts, specifically, contracting with silent PPOs and ERISA payers, as well as what you need to know about “pay for performance” agreements and consumer driven health care plans.

This program is a follow-up to WHA’s popular November 2003 program “Improving Your Reimbursement Contracts,” featuring reimbursement contract expert Maria Todd, PhD. Attendance at the 2003 program is not a prerequisite, and attendees will gain valuable information regardless of attendance at last year’s program.

WHA is offering this seminar as a follow-up to a recommendation made by the Workgroup on Payment Issues, of the Council on Finance and Payment. The workgroup recommended formal education as one vehicle to assist hospitals in dealing with a variety of payment issues, including silent PPOs, non-standard coding requirements, accountability of third party administrators (TPA), and payment delays from self-insured plans and others utilizing TPAs. This program is co-sponsored by the Wisconsin Chapter of HFMA and the Rural Wisconsin Health Cooperative.

The seminar is scheduled for Wednesday, December 15, at the Great Wolf Lodge in Wisconsin Dells. The registration fee is $225 per person. A brochure with registration form is available on WHA’s Web site at www.wha.org. On-line registration is available for this seminar.

For more information on program content, contact Jennifer Frank at 608-274-1820 or email jfrank@wha.org. For registration questions, contact Sherry Rabuck at 608-274-1820 or email srabuck@wha.org.

CMS Releases Guidance on HIPAA Security Rule

The first of seven guidance papers on the Health Insurance Portability and Accountability Act’s security rule was released this week by the Centers for Medicare & Medicaid Services. The first paper provides background on the rule and its relationship to the HIPAA privacy rule. Further topics to be discussed in subsequent papers include administrative, physical and technical safeguards; organizational policies and procedures and documentation requirements; the basics of risk analysis and risk management; and implementation for small providers.

The compliance deadline for the security rule is April 20, 2005 for most hospitals and health plans. The security rule is designed to protect the confidentiality and integrity of electronic patient information.

A link to the first guidance paper can be found at www.wha.org/legalAndRegulatory.