

Putting Patients at the Forefront of Good Health Care Reform

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Since 1849, the North Carolina Medical Society (NCMS) has worked to improve the health of all North Carolinians. The united purpose of its physician members—to protect and serve their patients—is not so different from what it was in 1849, when a group of physicians came to Raleigh to meet with the North Carolina General Assembly because of concerns they had for their patients' safety. Charlatans roamed the countryside at the time, using counterfeit diplomas to portray themselves as physicians and posing risk to unsuspecting patients in need of health care. As a result of the leadership of these physicians, several public health laws were enacted, including one that created a state medical board to license physicians. As health care reform associated with the Affordable Care Act (ACA) takes hold and changes are implemented, physicians continue to advocate for the health and welfare of their patients. The preservation of the relationship between physicians and their patients is central to physicians' concern about the enactment of the ACA.

The ACA was signed into law by the president on March 23, 2010, after several months of some of the most turbulent and partisan debates in recent American history. Although many questions remain regarding the impact of this legislation, physicians remain united in seeking the best care possible for their patients. Legal and political wrangling will continue for years to come while the country seeks to fix what is broken in health care delivery and to improve what is working. What is certain is that physicians and patients must work together to take advantage of opportunities to improve the access and care that patients need and deserve. The new legislation provides opportunities to improve and measure the quality of care patients receive and to electronically transfer patient information among health care professionals and organizations, to reduce duplication and errors. It also raises the exemplary work of some North Carolina programs, such as Community Care of North Carolina (CCNC), to national prominence.

To help physicians and their practices thrive in a new health care environment, the NCMS has been working closely with its members to educate them about the changes

that will take place. Physicians are actively engaged in discussions related to health information technology and the exchange of patient information among health care providers. Central to this discussion is concern for patient privacy and information security. Physicians want patients to benefit from changes introduced by the ACA, and they also want to ensure that the patient-physician relationship remains the foundation of quality health care. North Carolina is home to 4 medical schools and a wide range of continuing-education programs. The NCMS works with health care professionals from across the state and around the country to implement aspects of the health reform legislation it views to be strong and to improve parts of the legislation it considers to be weak. For example, the NCMS Foundation has embraced the quality standards presented in health care reform by requiring practices participating in its Community Practitioner Program to commit to the process of becoming a patient-centered medical home with electronic health records. In addition, the NC Physician Institute for Quality Enhancement will assist physicians in quality improvement, with a specific focus on specialty care. The NCMS Foundation's Leadership College is currently undergoing major modifications to address the demands and requirements of the health care reform legislation and to assist physicians to become better leaders as they meet the challenges of today's health care environment.

The physician community supports health system reform that addresses access to care, workforce training, health care quality, patient safety, patient education, informed choice, financing, and cost management. As part of this effort, the NCMS is educating its members about the development of accountable-care organizations and, in 2009, released a document summarizing its position on health reform [1]. According to the NCMS, one positive aspect of the ACA involves provisions that promote prevention and wellness. Specifically, health plans must now cover preventive services such as vaccinations and screening tests without charging a copayment or deductible. Flu shots, childhood and adult vaccinations, and cancer screening will keep North Carolinians healthier and keep down the cost of medical

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care. Together, physicians and patients will work as a team to promote health instead of simply treating illness. Another positive aspect involves the expansion of health insurance coverage to uninsured residents of North Carolina. A new insurance pool will allow uninsured people to buy coverage if they have preexisting conditions. Cancer survivors and individuals with chronic diseases such as diabetes or high blood pressure will receive coverage for care that helps improve their health.

However, to maximize prevention and wellness, North Carolinians have a responsibility to take better care of themselves through exercise and nutrition. In partnership with physicians and other members of their health care team, individuals have the opportunity to improve their own health and, thus, increase the health care savings yielded by a healthier population.

Medicaid

CCNC has led by example, providing patient-centered medical homes for patients with chronic conditions. CCNC's use of the patient-centered medical home model has improved the care of many of the state's most vulnerable citizens and has saved federal and state governments hundreds of millions of dollars [2]. Hopefully, the ACA will facilitate expansion of CCNC, enabling this organization to continue its great work throughout the state.

Recent budget shortfalls in North Carolina have had an adverse affect on the Medicaid budget and have threatened CCNC. The budget shortfalls projected for 2011, as well as the federal deficit, increase the challenges associated with providing adequate reimbursement to physicians for the services they provide to Medicaid recipients. Physicians and their partners in health care must come up with new, innovative solutions to address these challenges. For their part, physicians have long been providing charity care to North Carolina residents. On the basis of conservative estimates [3], North Carolina physicians practicing at free clinics, in private practices, and in access projects (ie, Project Access and the Healthy Communities Access Program) provide charity worth \$342 million annually.^a

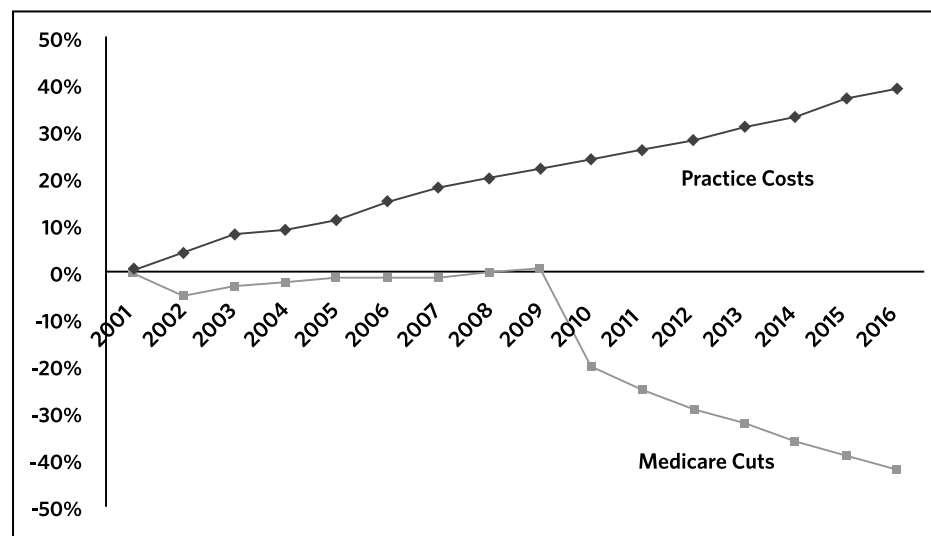
Access to Care and Patient Services

The ACA provides expanded access to primary care, increases the reimbursement for primary care services, and expands payments for graduate medical education for primary care. The ACA is also presented in terms that patients and physicians can understand—Congress wisely included provisions to replace volumes of legal jargon with summaries and simple labels. Patients will no longer have to wonder whether certain services or treatments are covered or whether they can afford associated copayments or deductibles. Provisions to simplify administrative activities, such as uniform transparent operating rules for electronic transactions, eligibility verification, claims remittance and payment processing, and electronic fund transfers within a specific period, were also added.

Medicare

Improving funding for Medicare is one of the major areas that the ACA did not address. Medicare is the largest government health plan in existence. Although Medicare is the foundation for many of the changes that the new law will bring, it is currently unhealthy, with some physicians forced to make the difficult choice of limiting the number of Medicare recipients they treat—or treating none at all. Key leaders in health care must work together to avoid a Medicare meltdown for older North Carolinians and to ensure that coverage will be available for others in the future. At the same time, imme-

Figure 1.
Comparison of Projected Medicare Reimbursement and Physician Practice Costs, 2001-2016



Note. Adapted from [7].

a. Calculated as [number of practicing physicians] × [percentage providing free care] × [duration of care provided, in hours/month] × [salary/hour] × [12 months/year], or 18,000 × 0.72 × 11 × 200 × 12.

diate steps need to be taken to ensure that Medicare and other government-funded programs are made solvent and that new programs are implemented with proper financial sustainability. North Carolina is one of the states that made the American Medical Association's "access hot spots" list, which highlights areas where access to care is at risk for Medicare-eligible patients [4].

The problem will get worse unless Congress repeals the broken Medicare physician payment formula known as the sustainable growth rate (SGR). In North Carolina, approximately 16% of the population is enrolled in Medicare [5]. Although reimbursement cuts have yet to take effect, the state has a shortage of physicians who treat Medicare recipients, with a ratio of physicians to Medicare beneficiaries that is below the national average [5]. Concern about this shortage is enhanced when one considers that approximately 39% of North Carolina's practicing physicians are older than 50 years of age [5] and that a recent survey showed that many physicians aged 50 years or older are considering reducing their patient-care activities [6]. What is needed is a rational Medicare physician payment system that does not diminish physicians' ability to keep up with the cost of running a practice and providing quality care to the state's older adults.

The growing federal deficit will make it difficult for Congress to abandon the SGR. Under the ACA, more people will be covered, but many public and private health insurance plans will be indexed to the Medicare fee schedule. This is simply unsustainable and fails to address the reform needed to cover the real cost of health care delivery. Most likely, services will either be limited or cancelled because of inadequate reimbursement to cover their cost. Physician practices are operated in the same way small businesses are

operated. In today's economic climate, health care provides a substantial contribution to the state's economy. In small, rural communities the contribution is even greater. The pain experienced by small businesses across North Carolina and the nation is not unlike the difficulties experienced by physicians trying to keep their practices viable. To provide services to older citizens and underserved individuals, physicians and patients need a Medicare payment system that realistically and adequately addresses the cost of providing this care.

Although the new law insures more Americans, it places incredible pressure on the physician community. The issue of physician supply is at the forefront of health system reform, and primary care has to be a central focus of the discussion. Efforts must be made to enhance information systems and expand comparative effectiveness research. With adequate financial support, physician services will be able to embrace both. However, physicians must be equipped with better information technology and have more access to comparative effectiveness research. Burdening physicians with practice incentives that fail to recognize the vast socioeconomic differences unique to each of the regions in North Carolina puts many physicians at a disadvantage. Medicare reimbursement is projected to decrease at a time when physicians' services for the segment of the population aged 65 years and older are expected to continue increasing in quantity and complexity, owing to the state's aging population (Figure 1).

Tort Reform

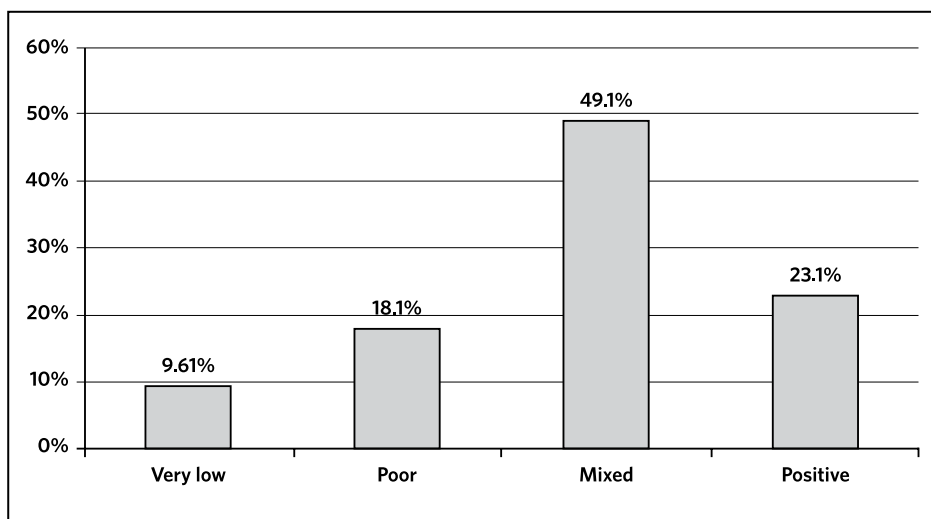
The ACA does not adequately address tort reform. Only small inroads have been made to address true tort reform initiatives. States that have enacted medical liability reform have improved care in medically underserved communities

and access to high-quality specialists who perform high-risk procedures [8]. Major tort reform laws are critical to ending the practice of defensive medicine and lowering the cost of health care. Without meaningful liability reform, billions of health care dollars will continue to be wasted, the cost of health care will continue to rise, and delivery of health care to North Carolina's most vulnerable citizens will continue to be inhibited.

Rural Health Care

Finally, adequate payment for primary care and specialty services is even

Figure 2.
Self-Reported Professional Morale Among Physicians



Note. Data are from [6].

more critical for rural areas. The rural health infrastructure in North Carolina is suffering. To ensure that residents in rural North Carolina receive access to excellent health care, it is critical to retain physicians and other primary care professionals in rural communities. New legislation increases the amount of federal dollars available to recruit physicians into rural and underserved areas of the state through the National Health Service Corps. In North Carolina, the Office of Rural Health and Community Care and the NCMS Foundation's Community Practitioner Program also address physician recruitment, offering loan-repayment incentives and assistance with private-practice development. Rethinking the approach to regulating and financing medical care in rural areas is necessary if the state wishes to retain physicians in these communities and achieve the efficiency and quality improvements patients deserve.

Physician Satisfaction

The Physicians' Foundation for Health System Excellence recently surveyed physicians about their satisfaction with the current practice environment (Figure 2). More than 60%

of respondents were either unsatisfied or less than satisfied [6]. Burdensome regulations, ineffective technology, declining reimbursements, and liability are all impediments to physicians' ability to provide quality health care. This trend tracked similarly at both the state and national levels.

Conclusion

The most important point in the health care debate—putting the patient's best interest at the forefront of reform—must not be lost. It is the desire of all physicians to address their patients' best interest, and to do so in a way that ensures that the physician-patient relationship is free from outside influences. If health system reform facilitates this type of patient-physician relationship, the NCMS believes that most physicians will support it. If it does not, it is essential that patients and physicians be permitted to structure their relationships, without outside influence that would detract from the patients' medical needs and interests. Regardless of any current or future reforms, making quality and efficient health care available to all citizens will continue to be one of the greatest challenges facing medicine. NCMJ

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