



Pennsylvania Orthopaedics

Newsletter of the Pennsylvania Orthopaedic Society

Fall 2005

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President's Message . . .

P. Christopher Metzger



Whether it's the Nittany Lions, the Steelers or the Eagles, success in a big game depends on solid preparation. Your state society has been practicing different plays, keeping in shape and gearing up for the push this fall on a multi-faceted legislative agenda. Whatever we accomplish—whether it's blocking a change to the workers' compensation fee schedule or advancing an extension to the MCARE abatement program, or both—it will be the result of a coordinated effort from many Pennsylvania Orthopaedic Society members.

POS has publicly requested a two-year extension to the state's MCARE abatement program as a critical component to long-term medical liability reform. Without this extension, MCARE abatement expires December 31, 2005 and we could expect another crisis January 1, 2006. Governor Ed Rendell has announced his support for our request and there are bills in both the House and the Senate poised to pass for enacting the extension this fall. We are working closely with our champions in the House and the Senate to get this done.

In September, POS board member Mickey Moses gave testimony before the Pennsylvania House Labor Relations Committee and we continue to actively work with key decision makers on the Hill about the impact proposed changes would have on the practice of orthopaedic medicine for many Pennsylvania workers.

There are some clear victories of which I am especially proud. We expect our class action settlement with Independence Blue Cross to be finalized by the end of this year. The result of several years of work, this settlement requires full disclosure of fee schedules and all company policies affecting payment to health care providers to continue indefinitely unless the Court says otherwise; and it ends IBC's bundling practices which are not in compliance with nationally recognized coding standards. Hopefully it will serve as a starting point for similar success with other insurers.

Another important achievement was the decision by Insurance Commissioner to delay for two years the scheduled phase-out of MCARE coverage until a more stable medical liability insurance market emerges. Without this delay, many orthopaedic surgeons would see an even greater increase in their medical liability insurance premium.

Recently in the Lehigh Valley, I joined our lobbyist and executive director to promote our orthopaedic outreach initiative in an effort to spread the word about what POS is doing on your behalf. Our visit was a success and I appreciate the renewed support we've received from members in that region of the state.

Lastly, but in no way least, we have all benefited from the growth of our Political Action Committee. OrthoPAC now stands as a leader among healthcare PACs in Harrisburg and it's only with your support that we can continue to be a strong voice for orthopaedic medicine.

Thank you to all who have contributed to OrthoPAC and all who have been active in our grassroots advocacy efforts. It has been a distinct honor to serve as your President this year and I encourage each and every one of you to get involved. I look forward to our fall scientific meeting in Pittsburgh and would like to thank Hari Bezwada and Steve Bosacco for their efforts in coordinating an excellent program of which we can be proud. Please join us in 2006 to celebrate 50 years of orthopaedic excellence. Let's keep our team strong, with a dedicated membership and a prominent PAC and we will surely make the plays we need to achieve our goals.

Orthopaedic Surgeons Affected by Fee Schedule

On August 8, the Centers for Medicare and Medicaid Services (CMS) published its proposed rule for the 2006 physician fee schedule, which includes several provisions that will affect orthopaedics. Most significantly, the proposed rule announced the projected 2006 conversion factor will be 4.3 percent lower than the current conversion factor. If implemented, this means all services and procedures on the Medicare fee schedule will experience a 4.3 percent decrease in reimbursement due to the lower conversion factor. However, the reimbursement rates for specific procedures will vary from this percentage due to other proposed policies within the rule. A brief discussion of the provisions and their impacts on orthopaedics are outlined below.

Cast and Splint Supplies

Currently, Medicare reimbursement rates for fracture treatment and cast application procedures do not account for cast supplies. This is because Medicare requires physicians to separately report the use of these supplies through Healthcare Common Procedure Coding System (HCPCS) codes. In particular, Q4001 – Q4051 are the HCPCS codes that describe cast and splint supplies. For 2006, Medicare is proposing to eliminate the Q codes and seeks to include the cost of these supplies within the reimbursement rates for the appropriate fracture treatment and casting procedures.

The effect of this provision will increase the practice expense relative value units (RVUs) for fracture treatment procedures (CPT codes 23500 – 23680, 24500 – 24685, 25500 – 25695, 26600 – 26785, 27500 – 27566, 27750 – 27848, 28400 – 28675) and casting procedures (CPT codes 29000 – 29750). The increase in practice expense RVUs will mean higher reimbursement rates for these procedures since cast supplies will be included in the procedure code reimbursement rates. If this rule is implemented, orthopaedic surgeons and other physicians will no longer have to separately report and bill procedure and cast supply codes. Physicians will only have to report the appropriate procedure code.

Multiple Procedure Reduction for Imaging

Another provision of the 2006 proposed rule that will affect orthopaedics is a proposal that

relates to payment policy for diagnostic imaging. When multiple diagnostic images involving “contiguous body parts within a family of codes” are obtained, Medicare is proposing to make full payment for the technical component (practice expense RVU) for the highest priced procedure, and pay at 50 percent of the technical component for each additional procedure.

Surgeons should be familiar with this concept since Medicare has a longstanding payment policy for reducing payment for multiple surgical procedures performed on the same patient, by the same physician, on the same day.

Medicare’s rationale for applying the multiple procedure payment reduction is that fewer supplies and/or less work is required for each subsequent procedure.

If this provision is implemented, you will likely see a decrease in overall reimbursement rates with respect to diagnostic images taken in your office

Practice Expense

Finally, Medicare is proposing significant changes in the methodology it uses to calculate practice expense reimbursement rates. The key changes include a new “bottom-up” methodology to calculate direct practice expense costs and elimination of the non-physician zero work pool.

Medicare is proposing a gradual transition to this new practice expense methodology over the next four years. The overall effect of these practice expense changes on orthopaedics is significant. During 2006, orthopaedics would see an overall 0.4 percent decrease in practice expense payments for Medicare procedures. By 2009, the final year of transition, the overall impact of practice expense payments to orthopaedics would be a 1.5 percent decrease.

What You Can Do

Many members of Congress will tell you that they support a physician payment fix. Thank them for their support but press them hard with this question: Is it fixed yet? Tell them time is running out in this session of Congress. The House needs to act promptly to prevent a 4.4 percent cut effective January 1, 2006. To contact your member of Congress, please use the AMA’s toll-free Grassroots Hotline at 800-833-6354.



Orthopaedic Associates of Allentown (OAA) is a premier private practice group comprising 21 members that is expanding due to tremendous growth and demand for comprehensive services. We are seeking fellowship-trained surgeons in trauma, foot & ankle, and total joint reconstruction for partnership track positions. OAA is a subspecialty oriented practice in eastern Pennsylvania serving a catchment area of over 1 million people. Construction is underway for a 300,000 square foot orthopaedic institute that will include ancillary services, ambulatory surgery center and fitness center. This well-established and stable group is affiliated with several local hospitals including Lehigh Valley Hospital, a superb teaching hospital with over 750 beds, orthopaedic resident coverage and a level I trauma center with mostly blunt injuries. We are offering excellent compensation including malpractice which is not prohibitive in this region of Pennsylvania, the opportunity to participate in clinical research and an academic appointment at Penn State. The practice is located in a beautiful, suburban area of eastern Pennsylvania with excellent schools, abundant cultural and recreational offerings and diverse economic base. The Lehigh Valley is conveniently located 1 hour north of Philadelphia and 1.5 hours west of New York City. Email CV to: Tammy.Jamison@LVH.com or fax to (610)402-7014. Call (610) 402-7008 for more information

Don't Forget to Sign Up for 2005 MCARE Abatement

The deadline to file for 2005 MCARE Abatement is February 15, 2006. For information on how to apply visit:

<http://www.mcare.state.pa.us/mclf/site/default.asp>

OrthoPAC Leadership Circle Meets with "Chip" Brightbill



From left: Chip Hummer MD, Robert Mathews MD, Sen. "Chip" Brightbill, Bob Ruggiero MD, Lewis Sharps MD, and Richard Schmidt, MD

In October, members of OrthoPAC's Leadership Circle held an intimate gathering for Senate Majority Leader David "Chip" Brightbill in Philadelphia. Topics of discussion focused on medical liability reforms needed and initiatives to improve the delivery of orthopaedic care in Pennsylvania. Brightbill thanked the surgeons for being a valuable resource on "The Hill" and said he looks forward to championing MCARE efforts this fall and medical liability reforms next year.

Members of OrthoPAC show support for Rep. Curt Schroder



From left: Chet Simmons MD, Chip Hummer MD, Rep. Curt Schroder, John Benner MD, Charles Odgers Jr., MD

Chester County OrthoPAC members met with State Rep. Curt Schroder in September to say thanks for all his work on behalf of specialty surgeons and the medical community in support of common sense medical liability reforms and continued MCARE abatement. Schroder, who serves on the House Appropriations, Insurance and Judiciary committees, has been a leader in medical liability reform and trauma care.

POS Testifies at State Legislative Hearing on Workers' Compensation

POS Board Member M. James "Mickey" Moses, MD testified on behalf of orthopaedic surgeons before the House Labor Relations Committee this week in Harrisburg recommending treatment guidelines similar to those developed by the American Academy of Orthopaedic Surgeons and clinical training for Workers' Compensation Judges.



Dr. James M. "Mickey" Moses with Labor Relations Chairman, Rep. Bob Allen

Main Line Health

Lankenau Hospital

Excellent opportunity for BC/BE general orthopedic surgeon to join a well established practice at Lankenau Hospital located in the affluent suburbs outside of Philadelphia. Lankenau Hospital is an academic medical center with a strong referral base, new operating rooms with robotics, a research center and a newly opened educational conference center.

- ▶ Competitive salary, rich benefits and partnership opportunity
- ▶ Located in Wynnewood Pennsylvania with top ranked schools and nearby major universities
- ▶ Quick access to historic Philadelphia with wonderful cultural opportunities, theater, orchestra, museums and restaurants
- ▶ Short driving distance to the beach, the mountains, New York City and Washington DC.

Please send your CV to Susan O'Rourke via e-mail:

physicianrecruiting@mlhs.org or call 610-526-8791.



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ORTHOPAEDIC CALENDAR

Pennsylvania Orthopaedic Society Meetings

—50 Years and Growing Stronger

POS 2006 Spring Scientific Meeting

"Upper Extremity—Shoulder to the Hand Arthroplasty, Trauma and Arthroscopy"

May 4-6, 2006

Atlantis, Paradise Island, The Bahamas

POS 2006 Fall Scientific Meeting

"The Comprehensive Knee —Sports, Trauma, and Reconstruction"

November 16 & 17, 2006

Park Hyatt at The Bellevue, Philadelphia, Pennsylvania

POS 2007 Spring Scientific Meeting

May 10-12, 2007

Four Seasons – Scottsdale Troon North, Scottsdale, AZ

Philadelphia Orthopaedic Society Meetings

November 14, 2005

Joseph Buckwalter, MD – Steinberg – Lotke Lecture

"The Impact of an Aging Population on Orthopaedic Practice"

December 12, 2005

Melvin Rosenwasser, MD – Gill Lecture

"Update on the Management of Distal Radius Fractures"

January 9, 2006

Khaled Saleh, MD – Corn Lecture

"Outcome Measurement in Arthroplasty Surgery: Do the Ends Justify the Means?"

February 13, 2006

Scott Steinmann, MD – Moore Lecture

"Arthroscopic Treatment of Elbow Arthritis"