

President's Comment

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Change is coming and it's coming sooner than you think. Today's independent physician is overwhelmed by the challenges posed by the 3 "big R": reimbursement, regulation, and recession. As a result, many are falling victim to hospitals, which see the opportunity to buy up individual practices unable to cope with the 3 R and thereby control healthcare in their region. This was the topic of one of our speakers at the Fall Texas Medical Conference. Life as I knew it will never be the same, President Obama promised change and change it is. While physician practice expenses have increased by 3 to 5 percent per year over the past decade, their payments from Medicare have increased by less than 2 percent, and the meager payments to physicians from Medicaid have remained unchanged at best. It is expected that the 20 percent –plus reduction in the Medicare fee schedule will be patched with a negligible increase. However, many specialties including cardiology, endocrinology and radiology will face significant reductions in payments from Medicare as a result of the adjustments implemented in the 2010 fee schedule.

Reimbursement: Mr. Brown, the speaker who addressed us, feels that there will be a 20 to 22% reduction in reimbursement by 2012, at least for Medicare and Medicaid. Given, that the commercial carriers will almost certainly follow suit, we are then looking at a loss of 20% of our revenue. How do we deal with that loss? By thinking differently, these are some suggestions.

- 1...Unbundle all legally non-covered services, and start charging the patient for items not covered by the carrier.
- 2...Collect all accounts receivable by cash, check or credit cards before the patients leave the office.
- 3...Maximize the professional fees from all carriers, other than Medicare or Medicaid and other federal entities.
- 4...Diversify, don't farm out any care your practice can provide.

Regulations;

- 1...Physicians must begin to use EMR, buy the least costly EMR program that fits your practice's while still meeting governmental standards. This is one of his suggestions which I found interesting and a local internist has already implement in his practice
- 2...Go to a total concierge practice. Offer an array of services that a patient can pay for annually, on a cash only basis.
- 3... Educate your employees on regulations.

Recession;

- 1... Market and promote your practice.
- 2...Look for ways to attract new patients. The survival of any practice depends on its ability to bring in new patients.
- 3... Cut unneeded staff or expenses-now-don't delay.
- 4...Negotiate third party fees wherever possible.

If we are unable to adapt to change in the next 5 years, 50% of independent physician practices will be sold to hospitals or will close.

I came back from the Fall Texas Medical Association Conference ready for change in my own practice, ready to tackle all the different objectives and implement change. We must not let our love for our profession die and or diminish with the uncertainty of the future. This is the time we need to be more vocal and active with all the different Medical Societies-especially the El Paso County Medical Society. Congress is hoping we just stay in our offices keep our heads down and don't get involved-like the good work horses that we are. If that's what you want then don't complain.

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MARK YOUR CALENDAR

**El Paso County Medical Society
Installation**

January 19, 2011

**Incoming President
Dr. Jose Aun**