

Rhode Island Medical Society Council

Meeting of Monday, June 1, 2009

Meeting Highlights

The RI Health Insurance Commissioner, Christopher Koller, explained the new mandate he is giving to the health plans to control cost and promote quality: over the next 5 years the plans must double (from 5.5% to 11%) the proportion of premium they expend in support of primary care, and they must do so in ways that do not have the direct effect of increasing premiums.

The Commissioner believes these goals can be accomplished by adjusting patterns of utilization, over which physicians have significant control. He does not favor boosting rates of payment for primary care services at the expense of subspecialists, a strategy he believes would be destructive; rather he envisions an overall shift of resources proportionally from institutions to physicians.

More specifically, Mr. Koller wants the health plans to find ways to strengthen the infrastructure of primary care in RI, encourage the growth of the Chronic Care Model Medical Home, encourage the adoption of EMR, and “work toward comprehensive payment reform across the delivery system.” (The vision of “payment reform” remains inchoate, but such reform would likely include more bundling and broader use of per-member-per-month.)

Mr. Koller called upon the professional community to foster a culture of population-based health care delivery that promotes optimal utilization. He asserted that appropriate utilization both serves patients and promotes system affordability.

Mr. Koller described the limits of his powers as Commissioner and noted two areas that frustrate him: lack of a definition of one of his four key charges, namely “fairness to providers,” and the elusiveness of truly comparable data that could be used to benchmark premium and payment levels in Rhode Island against those in other jurisdictions. However, he did not dispute the fact that Rhode Island providers are disadvantaged by a persistent regional disparity in payment, and he confirmed that interstate disparities tend to be greater for RI physicians than for RI hospitals.

Mr. Koller urged members of the Council to visit www.ohic.ri.gov and to offer comments on the current requests of BCBSRI and UnitedHealthcare for double-digit rate increases; he noted that the insurers project paying 45% of the premiums they collect to hospitals; changes in utilization could appropriately reduce that proportion, he suggested.

The CEO of BCBSRI, Mr. James Purcell, told the Council that his company is in general agreement with the rationale and goals of Mr. Koller’s mandate. Indeed, BCBSRI has already embarked voluntarily on a parallel track to boost primary care infrastructure, the Medical Home and EMR in order to control cost and promote quality.

Mr. Purcell said that soon after he became CEO 5 years ago, BCBSRI recognized that the company’s relationship with physicians is of primary importance. Since 2004 BCBSRI has improved aggregate reimbursement levels for physicians from 84% of Medicare to 113%; this year BCBSRI will achieve regional parity for those primary care physicians who use EMR (124% of Medicare).

Mr. Purcell asserted that the fee-for-service system has been “the root of all evil” in creating a *quantity*-based health care system and fostering distortions and inequities.

One inequity repeatedly noted was the fact that larger entities command better payment than smaller ones by virtue of their greater market clout, not by virtue of greater value, quality or efficiency. Further, the prevalence of private contracting renders many payment relationships opaque, even to the Commissioner. Greater transparency would serve the public interest, as would a regulatory framework within which greater value could compete successfully against greater market leverage.

BCBSRI Medical Director Augustine Manocchia, MD, reviewed BCBSRI’s efforts to boost primary care (e.g., the ongoing series of fee enhancements, the “Quality Counts” pay-for-performance program, EMR/infrastructure funding, loan forgiveness, Chronic Care Sustainability initiative, integrated behavioral health). He noted the company’s plans to build upon these programs and to extend EMR support to subspecialists.

ELECTIONS The Council elected Dr. Nitin Damle Vice President, effective immediately, to serve out the unexpired term of Dr. Gillian Pearis. Dr. Marlene Cutitar was elected to serve out the unexpired term of Dr. Damle as Councilor-at-Large.

The Council accepted the Report of the Nominating Committee as presented. Accordingly, the following will take office in September 2009: President, Vera DePalo, MD; President-Elect, Gary Bubly, MD; Vice President, Nitin Damle, MD; Treasurer, Jerald Fingerut, MD; Secretary, Alyn Adrain, MD; Councilors-at-Large, Andrew Dowd, MD, Martin Papazian, MD; Marlene Cutitar, MD; and Steven Fera, MD; Adjunct Councilors, Joel Kaufman, MD, and Ira Singer, MD. Michael Migliori, MD, was reelected to a 2-year term as Delegate to the AMA. Standing committees, committee chairs and Directors of the RIMS Insurance Brokerage Corporation were also elected in accordance with the Bylaws.

OTHER MATTERS The Council’s discussions with its three guests displaced other agenda items, which otherwise would have included at least the following:

- An update on the Society’s lawsuit against the State to nullify provider taxes.
- An update on a new loan repayment program for primary care physicians.
- An update on efforts to establish a training program for Physician Assistants in RI.
- A review and update of the Council’s 2006 long-range planning exercise.

Council members were encouraged to visit www.rimed.org to review the latest changes and enhancements in RIMS’ website, including new pages devoted to individual subspecialty organizations that are represented on the RIMS Council.