

# Rhode Island Medical Society Council

Meeting of Monday, December 6, 2010

## \*\*\*Meeting Highlights\*\*\*

**Prior Authorization for advanced medical imaging** Health Insurance Commissioner Christopher Koller was again a guest of the Council. He participated in an extended discussion of Prior Authorization for imaging, which included presentations by Dr. Nitin Damle and Dr. Peter Hollmann.

Dr. Damle proposed six strategies by which payers could improve their processes and promote optimally appropriate utilization:

- periodic individualized feedback for clinicians, including comparison with state and national norms
- analysis of inappropriate testing patterns, individually and collectively
- identification of outliers based on such analysis
- implementation of educational interventions and Prior Authorization requirements focused on outliers
- uniform, standardized Prior Authorization administration and forms
- compensation for the additional administrative work performed by medical offices.

Prior Authorization for imaging is of timely concern to the community largely because of a change in policy at BCBSRI: effective 1/1/11, radiology facilities may no longer obtain Prior Authorization for high-tech imaging studies on behalf of ordering physicians.

It was noted that payers (or their vendors) employ “Predictive Radiological Intelligence (PRI)” algorithms, which enable individual clinicians to earn a virtual free pass out of the Prior Authorization process, based on specialty, imaging modality, and study ordered.

**Support for primary care** Mr. Koller praised Rhode Island’s unusual, voluntary, multi-payer Medical Home initiative, which has been operational since October 2008. Notably, Medicare very recently joined the other payers involved in this Rhode Island initiative, which are BCBSRI, UnitedHealthcare, Tufts and Medicaid.

The Office of the Health Insurance Commissioner promulgated “Affordability Standards” for payers two years ago. The Commissioner intends the Standards to encourage payer policies that improve the health care system generally. For example, the Standards require payers to demonstrate proportional increases in their support for primary care from year to year for five years.

**Market dynamics** Mr. Koller commented on hospital reimbursement in general, which he said varies directly with the size of the institution. With regard to the federal Affordable Care Act of 2010, Mr. Koller voiced some skepticism about the future impact of Accountable Care Organizations (ACOs) and regional health insurance Exchanges, particularly in Rhode Island.

Mr. Koller left the Council meeting at 8 p.m., having participated in the first 90 minutes of the 150-minute meeting.

**Provider tax litigation** Judge Pirraglia's long-awaited November 9 decision (available *in extenso* at [www.rimed.org](http://www.rimed.org)) rejected every argument RIMS' attorneys had developed during RIMS' three-and-a-half year process of challenging the provider tax laws enacted in 2007. An appeal to the RI Supreme Court, if heard, would, in the judgment of the attorneys, be unlikely to produce a more favorable result. Indeed, all parties have understood from the outset in 2007 that the litigation was a long shot.

The clear consensus of plaintiffs, stakeholders and RIMS' leadership is that the effort to contest the discriminatory tax laws was absolutely necessary and was carried out as aggressively and as efficiently as possible, but that further investment of resources is not now warranted in the interest of the community.

**MinuteClinic** MinuteClinic, founded in Minneapolis in 2000, is one of the original retail-based mini-clinic chains. It is now part of CVS Caremark and moved its operations to Woonsocket, RI, last year.

Unsurprisingly, MinuteClinic plans to expand its chain of clinics into CVS stores in Rhode Island. (MinuteClinic aborted an earlier attempt to enter the Rhode Island market a few years ago.) MinuteClinic has recently approached Lifespan with a co-branding proposal, to which Lifespan appears to be receptive. Also new in MinuteClinic's market approach is the addition of chronic care components to its limited menu of services.

The President and Chief Medical Officer of MinuteClinic and the VP for Business Development have accepted Dr. Bubby's invitation to address the RIMS Council on February 7, 2011.

In the meantime, RIMS' official statement on retail clinics remains that of January 2008, which is available at [www.rimed.org](http://www.rimed.org).

**Other matters** The Council heard reports on the Interim Meeting of the AMA House of Delegates (San Diego, November 6 – 9, <http://www.ama-assn.org/ama/pub/meeting/highlights.shtml>); on the Gamm Theater outing for RIMS members (November 4); on RIMS' reception for new state legislators on January 13; and on the upcoming Public Laws Committee's planning session, to which all are invited (December 8).

In other action items, the Council:

- Amended the Bylaws to make the AMA Alternate Delegate, like the Delegate, an *ex officio* member of the Executive Committee. (Both the Delegate and Alternate are already members of the Council, and the Delegate has long been a member of the Executive Committee.)
- Elected Diane Siedlecki, MD, and Tilak Verma, MD, to be members of the Board of Directors of the RIMS Insurance Brokerage Corporation, Inc.
- Approved a balanced budget for the Society for the year 2011.