

# Just the Facts

## Executive Director's Page

*By Barbara Baldwin, CSA Executive Director*

**H**orror stories of rare catastrophic outcomes in medicine make interesting human interest stories and often trigger knee-jerk reactions that result in ill-conceived lawmaking. Frequently legislators succumb to the drama and emotion-laden arguments that something must be done to correct whatever purported problem allowed an adverse event to occur. Facts and statistics play little part in putting the issue in perspective and considering the range of consequences that can result from the "fix."

While emotion often is a significant ingredient in the public's call for remedies, curiously it does little to sway lawmakers' perceptions to physicians' plight in the health care system. Cries of diminishing income and inability to pay overhead costs for being in business are typically ignored, or disdained by government representatives. This is a situation where facts are needed to illustrate and prove that physicians are not just whining, but that in a business model they are headed downhill fast.

In order to make a convincing case for increasing, or not reducing reimbursement, medicine must present data that support the claims of impending disaster. Important data was collected from the survey on reimbursement and payment for on-call coverage that CSA conducted late in 2003, and the results have been compiled and are available to members. (See box on page 46.) These results give anesthesiologists information about current arrangements and payment rates within the state and can be a useful benchmark when considering contracts. The data also will be used in educating legislators on the current levels of reimbursement among various payers in California.

### **CMA Cost Survey**

The CMA (California Medical Association) is conducting a new study on physician costs. Existing cost surveys tend to have limited information about the experience in California and often fail to include the cost of solo and small group practice physicians. Medical Group Management Association, for example, queries only large medical groups and reports information on a national level, not on a state-specific level. This survey will focus specifically on California and a special effort is being made to gain broad participation by solo and small group physicians.

Why should anesthesiologists participate in the survey? More than most other specialties, anesthesiologists' practice costs were severely understated when the Medicare RBRVS fee schedule was developed. This is a primary reason why

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anesthesiologists' payments under Medicare have been around 40% of commercial rates while most other specialties are paid an average of 70-80% of commercial rates. It is unlikely that the CMS (Centers for Medicare and Medicaid Services) will make changes in the Medicare anesthesia conversion factor based on the CMA results is currently nonexistent, but data (facts) could provide a powerful tool when negotiating with private payers and for advocating in the California state legislature for Medi-Cal rates.

The CMA is gathering data via an online survey until August 1. Physicians may participate through CMA's website ([www.cmanet.org](http://www.cmanet.org)) or by downloading the survey and returning it by fax or mail to Moss-Adams at fax (916) 923-5777 or Moss Adams, LLP, ATTN: CMA Cost Survey, 700 University Avenue STE 110, Sacramento, CA 95825.

Although some of the questions do not apply to anesthesiologists' practices, you are nevertheless encouraged to participate. You must indicate the specialty of anesthesiology on the response form in order to have your responses included. In addition to building a body of data that could validate the undervaluation of practice expenses of anesthesiologists, it can also provide individual practices with important information that can be used in practice management.

Physicians who participate in the Cost Survey will receive a complimentary copy of the survey results. CMA member physicians who do not report can purchase a copy of the report for \$100 and nonmembers who do not submit their data can purchase the report for \$250.