

Group health reforms could touch Occ Med practice

At press time, California's Governor and Legislative leaders seemed to be coalescing around a single healthcare reform bill, ABX 11 (Nuñez), the result of more than a year of negotiations about how to best extend basic healthcare coverage to the state's 7 million uninsured.

At first blush, this sprawling proposal to impose both employer-mandate and individual-mandate coverage, combined with expansion of the public health programs, seem to leave the state's newly reformed Workers' Compensation system untouched. However, there is much in ABX11 that would affect the general look and feel of how medicine is practiced in California, and even physicians and clinics wholly engaged in occupational medicine would feel its impact.

Here are some of the provisions that WOEMA members might find of interest:

- Nurse practitioners, physician assistants, and nurse midwives would have the same authority as physicians to supervise medical assistants. Also, medical assistants could perform tasks or services under written instructions from a physician, NP, nurse midwife, PA or licensed podiatrist even if the supervisor is not present.
- Physicians could supervise six (rather than the current four) NPs, and six (rather than the current two) PAs.
- By 2010, every prescriber and pharmacy must be able to transmit and receive prescriptions electronically.
- Through the insurance market, employers will be encouraged to adopt employee wellness programs. Under the reforms, insurers will be asked to offer more individual policies, as well as policies for individual purchase through a state purchasing pool (funded through fees from employers who choose not to offer their employees coverage). Starting in 2009, carriers offering individual or group coverage would be required to offer at least one "Healthy Action Incentives and Reward Program." Incentives in the form of reduced premiums, gym membership, or some other expanded benefits, may be offered to employees for quitting smoking, increasing physical activity, or improving their diets. This provision has been part of the Governor Schwarzenegger's own proposals for reform, and owes to his own famous involvement in personal fitness, as well as his admiration for Safeway's employee Health and Wellness centers.

Missing, so far, from the latest package is one of the Governor's early proposals: a pilot project in which state employees would receive "24/7" combined Workers' Comp/group health coverage. Fortunately, the Governor has not resurrected his odious early idea to finance a boost in Medi-Cal payments through a 2 percent tax on all patient-care receipts.

If ABX 11 emerges from the Capitol in coming weeks with both the Legislature's approval and the Governor's signature, it will likely face a huge and somewhat distant hurdle. The state's voters, through the initiative process, would have to approve the main financing mechanisms – a 4-percent tax on hospital receipts, an employer payroll tax (likely between 4 and 6.5 percent; the exact percentage is still a sticking point); and a \$2 per pack tax on cigarette. That election would be a full year away, at a time when the presidential candidates will have aired their own thoughts about broader reform.

Otherwise, the California Legislative year – the longest running of any of the WOEMA states – concluded with the Legislature and Governor acting on a modest range of Workers' Comp-related bills.

SB 557 (Wiggins) – Throughout the year WOEMA had vigorously opposed this effort to allow audiologists to serve as Qualified Medical Evaluators (QMEs). We and our allied opponents moved to Neutral in the closing days of the session, only when the author removed all authority of audiologists to work on the diagnostic portion of the QME report. The Governor ultimately vetoed the bill.

AB 1073 (Nava) – The Governor signed this bill, which lifts the 24-visit cap on PT, OT and chiropractic visits for post-surgical visits. Proponents contended that the Medical Treatment Utilization schedule promotes more use of alternatives to surgery, so that patients sometimes “use up” their 24-visit allotment before surgery is performed.

AB 1269 (Hernandez) – WOEMA opposed this bill, as well as a similar bill last year, that proposes to set reimbursement for burn centers at 120 percent of facility costs rather than the current 120 percent of Medicare. WOEMA's sole point of opposition was that the bill represents a piecemeal adjustment to the Official Medical Fee Schedule, and so runs counter to our own preference for a global OMFS overhaul. The Governor signed the bill when it was amended to 1) require DWC to review and set the burn center rate, and 2) set a cap at 180 percent of Medicare.

On the regulatory front, WOEMA issued a Legislative Alert to its members to urge the Division of Workers' Compensation to delay decision on chronic pain treatment guidelines until publication of ACOEM's updated chronic pain chapter, which is due by the end of the year. In September, WOEMA Legislative Chair Steve Schumann, MD, Warner Hudson, MD, and Don Schinske met with DWC Administrative Director Carrie Nevans, Medical Director Ann Searcy, MD, and State Undersecretary of Labor Doug Hoffner to emphasize the merits of considering the new ACOEM chapter alongside the chapter currently under review.

Also as part of our Legislative efforts, Dr. Schumann in September presented on the ACOEM *Practice Guidelines* to Michigan's Evidence-based Medicine Task Force and Workers Compensation Healthcare Advisory Committee.

As 2008 approaches, WOEMA expects to engage in:

- The anticipated revision of Worker's Comp fee schedule in California. In October, the Lewin Group began an update on its 2002 study noting the disparities in OMFS between payment for cognitive and procedural services. The study, we hope, will buttress DWC's stated desire to adopt a new fee schedule based on RBRVS methodology.
- Continued efforts in both Hawaii and Arizona to overhaul Workers' Compensation in those states.
- Expanding WOEMA's Legislative focus to public and environmental health, with the intent of providing informed medical and scientific comment on the important proposals in all five WOEMA states regarding workplace exposure, toxicology, and related issues.