Dear all:

Please allow this to be an update to MAG’s activities over the last few weeks. As always, my previous updates can be found at [http://www.mag.org/resources/executive-directors-message](http://www.mag.org/resources/executive-directors-message).

**House of Delegates**

On October 20, the 159th MAG House of Delegates concluded with another resounding success – 35% increase in membership since 2010 and fourth straight year of an operating surplus. This year we had more delegates participating than we had in years past. Additionally, U.S. Senator Johnny Isakson provided an excellent presentation on current issues in Washington, DC, and was the recipient of the MAG 1849 Friends of Medicine Award for his work in Congress. State Senator Cecil Staton and State Representative Donna Sheldon (and congressional candidate) received the MAG 1849 Friends of Medicine Award for their work representing patients and physicians in the 2013 General Assembly. A special thanks to Congressmen Phil Gingrey, MD and Tom Price, MD for attending the meeting. Finally, a special thanks to congressional candidate Bob Johnson, MD for also attending the MAG House of Delegates.

MAG also held a Scope of Practice Forum to address the pending issues involving pharmacists, advanced practice registered nurses and others. Those presenting included Sterling Ransone, Jr. MD, (President of the Medical Society of Virginia), Michael Doherty, MD and Vicki Clements, MD. The scope of practice issues were addressed in the Scope of Practice Reference Committee and all positions passed with House of Delegates without a single extraction. The report can be found at [http://www.mag.org/sites/default/files/downloads/RefComm-S-Report.pdf](http://www.mag.org/sites/default/files/downloads/RefComm-S-Report.pdf).

The MAG House of Delegates deliberated over 40 items of business. Below are some of the highlights from the meeting:

- That MAG help craft, support and advocate a waiver from the US Department of Health and Human Services Secretary allowing Georgia to use the Medicaid expansion funds to buy private insurance in the state health insurance exchange for eligible Georgia citizens at or below 138% of the federal poverty level
- That MAG support the continuation of telemedicine licensure by individual states and opposes efforts to change such to federal licensure of telemedicine
- That MAG recommend that the Georgia Legislature amend OCGA §16-13-60, to include language that permits interstate data sharing with eligible users in all states
- That MAG work with interested stakeholders to craft a proposal for a sustainable funding source for graduate medical education that will provide for a growth in the number of physicians available to meet the future needs of our state’s population
- That MAG promote access to appropriate care for all patients; promotes special access for vulnerable patients if care cannot be provided within a patient’s insurance provider; and rejects any model, public or private, that restricts access to providers adequately experienced in their disease; and brings a policy resolution to the American Medical Association (AMA) House of Delegates supporting the same
- The definition of the practice of medicine be clarified to include that: The use of lasers, pulsed light devices, or any energy source, chemical or other modality that affects living tissue (when referring to the skin, anything below the stratum corneum), applied for cosmetic purposes, is the practice of medicine
- That MAG strongly encourage the AMA to support delaying or canceling the implementation of ICD-10
- That MAG work with the AMA to advocate for EHR systems to develop interconnectivity to promote the seamless exchange of patient health information
That MAG educate its members on the EMR companies’ responsibilities in creating the interface between systems
That a Medical Reserve Corps (MRC) be established within the Medical Association of Georgia (MAG) for the purpose of training physicians and coordinating physician medical assistance through MAG to the DPH-OEMSTEP to effectively respond to declared emergency response events in the state of Georgia
That MAG establish a structure for regular communication and collaboration with the Georgia Hospital Association on matters related to creating a high performing health care system in Georgia by supporting innovative solutions designed to reduce harm, promote care coordination and improve health outcomes at the patient and, ultimately, population level

Doctors for Deal
Please see the attached invitation for an event for Governor Deal. The event is being held on November 4 at the Buckhead Club. A special thanks to all who are participating thus far.

CMS and Federal Shutdown
We received the following notice from CMS and would request and feedback you may have on these issues:

Payment Rules Notice
Although we are still assessing the impact of the partial government shutdown on completion of the calendar year 2014 Medicare fee for service payment regulations, we intend to issue the final rules on or before November 27, 2013, generally to be effective on January 1, 2014. The impacted regulations include:

• Medicare Program; End-Stage Renal Disease Prospective Payment System, Quality Incentive Program, and Durable Medical Equipment, Prosthetics, Orthotics, and Supplies (CMS-1526-F)
• CY 2014 Changes to the Hospital Outpatient Prospective Payment System and Ambulatory Surgical Center Payment System (CMS-1601-FC)
• CY 2014 Home Health Prospective Payment System Final Rule (CMS-1450-F)
• Revisions to Payment Policies under the Physician Fee Schedule and Other Revisions to Part B for CY 2014 Final Rule with Comment Period (CMS-1600-FC)

OIG Report
Late last week, the OIG issued a report entitled Physician-Owned Distributorships (PODs) of Spinal Devices: Overview of Prevalence and Utilization. Prepared in response to Congressional requests, the Report summarizes the OIG’s findings regarding the extent to which PODs provide spinal implants to hospitals. OIG surveyed hospitals nationally, based on its sampling of 1000 claims for spinal procedures billed to Medicare for fiscal year 2011 by hospitals nationally. OIG concluded its report stating, “our findings raise questions about PODs’ claims that their devices costs less than those of other suppliers” as well as reporting that “hospitals experienced increased rates of growth in the number of spinal surgeries performed” when purchasing devices from PODs compared to making purchases from other distributors. OIG also notes that hospitals vary in securing financial disclosures about physician ownership, with some requiring such disclosures when physicians are credentialed or re-credentialed, versus others who require that certain individuals report disclosures, based on titles and roles at the hospital.

Although PODs contend that they produce cost savings by eliminating unnecessary sales forces and overhead, the OIG seems to reject that notion, focusing instead on concerns that such arrangements implicate the federal Anti-Kickback prohibitions. In our experience, although a POD may propose rigorous safeguards to avoid running afoul of the AKS, some hospitals have made clear that they will not purchase devices from PODs under any circumstances. Based on the government views and particularly
after publication of this Report, many hospitals seemingly would prefer to avoid any risk of costly investigations, let alone adverse findings by adopting such bans.

For the healthcare community, this latest OIG Report, recent government investigations and ongoing reporting under the Physician Sunshine Law re-enforce the increased government focus on financial relationships and appropriate management of potential conflicts of interest and informed consent. For more information, please contact Tracy Field at TField@wcsr.com.

**Sunshine Act**
Please see attached a letter written from organized medicine to Secretary Sebelius addressing the Sunshine Act.

**Op-Ed**
Dr. Silver has been very busy in his first week as MAG’s President. I have attached two pieces that ran in the Atlanta Business Chronicle and the Atlanta Journal Constitution – Medical Association Responds to Bernie Marcus (pdf attachment) and Insurance Networks Limit Patient Choice [http://ireader.olivesoftware.com/Olive/iReader/AtlantaJournal/SharedArticle.ashx?document=AJC\2013\10\25&article=Ar01201](http://ireader.olivesoftware.com/Olive/iReader/AtlantaJournal/SharedArticle.ashx?document=AJC\2013\10\25&article=Ar01201).

As always, if you should have any questions, please do not hesitate to call.

Donald

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