Between the Facts and the Physician Lies the Truth

ROSE – 32nd Annual Conference – September 14 – 16, 2016

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Between the Facts and the Physician Lies the Truth

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Agenda

- Work Life Balance
- Trends in Healthcare
- Contract Wording
- Claims Management
- CPT/RVU Analysis
- My Approach
- Case Studies

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Work Life Balance – Does it Exist?

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Burnout — physical or mental collapse caused by overwork or stress

The syndrome is characterised by emotional exhaustion, attitudinal hardening (loss of empathy) and a sense of decreased accomplishment. Long term consequences of burnout can be mental problems such as depression or psychosomatic disorders. Burnout seems to be caused by disproportionally high efforts (time, emotional involvement, empathy) and poor satisfaction (negative outcome) in addition to stressful working conditions (high demands).

Stats from Medscape Lifestyle Report 2016 — showing on average 50% of Physicians suffer from Burn Out related symptoms.

What are the Causes of Burnout?

Stats from Medscape Lifestyle Report 2016
Physician ACO participation
- 2011: 3%
- 2012: 16%
- 2013: 24%
- 2014: 30%

Hospital employment
- 2004: 11%
- 2014: 64%
New physicians and medical graduates don’t go into private practice but want to be employees

- Guaranteed salary
- Less hours
- No reimbursement issues
- No stress of running a practice

Physician Compensation

Typically, providers sign a 3 year employment agreement and sell practice to hospital

Compensation: Base salary and production based bonus (RVUs)

- 12% less for hospital employed primary care physicians
- 28% less for hospital employed specialty physicians

Hospitals renegotiate agreement at end of contract term

Warning: American Medical Association (AMA) has warned that “regulatory tsunami” facing US physicians could cut Medicare payments by more than 13% by the end of decade.

Medicare Reimbursements

- Shifting from Volume (quantity) to Value (quality)
- Change from fee-for-service to value based payments
**Coordination of Care**

- Patients
- Hospitals
- Labs
- Diagnostics centers
- Community

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**Rich Contract Wording**

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- Own Occupation Rider
- Total Disability v. Residual (Partial) Disability
- What is Residual (Partial) Disability – What is the threshold, is it clear
- Some Contracts – No earnings Offset
- Essential Duties – What are they – do you know?
- "Disabled Essential Duties" Surgeon is now a Medical Consultant or
- Anesthesiologist is now practicing as a GP
Disability Claims Management

Some Pitfalls in Managing a Physicians Disability Claim

- Self Treatment
- Treatment from a family member
- Treating Physician Consultations by Telephone v. Office Visit
- Treatment by a business colleague in the practice
- Self medicating well before going off work
- Medical Field can be a close knit community

Some Tips to Help Manage the Physician Claim

- Occupational Analysis – fully understand the essential duties
- A detailed in depth telephone interview
- Try and determine the motivational factor that is impacting a RTW
- Understanding WHY will assist you in managing the claim
- Search Medical License status on Subjective Claims – British Columbia
  https://www.cpsbc.ca/
• MSP Blue Book – Lists annual billings to Canadian Gov’t
  plans
  http://www2.gov.bc.ca/gov/content/health/practitioner-professional-
  resources/msp/publications

• ABMS Solutions, LLC oversees the licensing of online
  product solutions for Primary Source Verification (PSV)
  of a physician’s Board Certification. These resources
  allow hospitals and health systems as well as
  attorneys, insurance groups, and other professionals to
  check physicians’ records quickly, conveniently, and
  securely
  http://www.abms.org/verify-certification/abms-solutions-products-for-
  professional-organizations/

• Federation of State Medical Boards – The Disciplinary
  Alert Service enables organizations to proactively
  monitor for disciplinary actions issued by the State
  Medical Boards
  http://www.fsmb.org/credentialing/

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Partial Disability –
Challenges

How can we increase a claimant’s
Productivity in the workplace?

When is a reduction in work a lifestyle
Choice as opposed to a disability?

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CPT/RVU Analysis

Nawrocki Smith LLP
Accounting Experts for Disability Insurance Claims

cpt® - rvu

current procedural terminology - relative value units
What are CPT Codes?

- What does it stand for?
  Current Procedural Terminology (AMA)
  (Thousands of Codes are in use & they are updated and revised annually)

- What are they?
  the most widely accepted medical nomenclature used to allow for uniform billing by accurately describing medical services and procedures among physicians, coders, patients & payers.
  "Description of the Service/Procedure"

Categories/Subcategories for Codes

- Evaluation & Management (99201-99499)
- Anesthesiology (00100-01999, 99100-99140)
- Surgery (10021-69990)
- Radiology (70010-79999)
- Pathology & Lab (80048-89356)
- Medicine (90281-99199, 99500-99602)

What is CPT/RVU Analysis?

CPT/RVU Analysis is the preferred method for independently verifying physician occupations.
**Why is CPT/RVU Analysis Important?**

- Objectify (Verification of Occupational Duties & Activities)
- Quantify (The level of activity before and after disability)
- Needed to make informed and proper claims decisions regarding total or residual policy provisions throughout the claim (TD v. RD)
- Required to monitor the claim and verify activities are consistent with the restrictions and limitations of the claimed disability

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**Why is CPT/RVU Analysis Important?**

- How is CPT/RVU used for occupational verification?
  - Show Mix of Services/ Practice Composition
  - Show changes in production pre and post disability
  - Identify trends (vacation, location, etc)
  - Breakdown of procedures
    - Obstetrics versus Gynecology
    - Pre versus Post disability
    - Surgical versus Non-surgical
    - Invasive versus Non-invasive

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**What do you request?**

- Typical Documents Received if Computerized
  - Production Reports/Data in electronic form (Depends on Technical Support/Software Version/Capabilities/Data Export)
  - Paper Productivity Reports generated from the practice management software report list.

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What is analyzed:

CPT by UNIT
CPT by CHARGES
CPT by PAYMENTS
CPT by RVU (Work/Practice Exp./Malpractice Exp.)

How is CPT/RVU Analysis Done

Units = # of billing points for a respective CPT code.
- Allow us to analyze the frequency or number of times a specific CPT code was billed.

Charges represent the physician’s fee/charge submitted to the payer for reimbursement.
- Used to evaluate trends in the pre and post disability and the charges produced by the service.

RVU’s - Measure of service/procedures based on physicians time, technical skills, mental effort, judgement, and medical risk to patient.

Centers for Medicare and Medicaid Services (CMS)
"Resource-Based Relative Value Scale (RBRVS)"
Physician fee schedule. (Effective: 1/1/1992)
The relative value of each service is quantifiable and is based upon the following three (3) components:

- Amount of physician work for service (Work RVU)
- Practice expense for service (Practice Expense/PE), and
- Professional liability expense for service. (Malpractice (MP)/Professional Liability Insurance (PLI))
What should be considered when analyzing occupation for a disability claim?

The **Physician Work RVU** which is derived from:

- **Physician time** required to perform the service
- **Technical skill** and **physical effort**
- **Mental effort** and **judgment**
- Psychological stress associated with the physician’s concern about the medical risks to the patient

### Benefits of Using RVUs for Measuring Productivity

Prior to development of RBRVS, many measured productivity by counting the number of procedures performed and charges. This methodology did not take into account visit/procedure intensity, time and complexity. RVUs, specifically wRVUs, give appropriate weighting based on the physician time and effort for a procedure/service.

### Table: RVU Analysis

<table>
<thead>
<tr>
<th>Physician</th>
<th>Category</th>
<th>Description</th>
<th>CPT Code</th>
<th>wRVU</th>
<th>Procedures</th>
<th>Total wRVUs</th>
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</thead>
<tbody>
<tr>
<td>A</td>
<td>Surgery-Nervous System</td>
<td>Tap block unil by injection</td>
<td>64486</td>
<td>1.27</td>
<td>500</td>
<td>508</td>
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<tr>
<td>B</td>
<td>Surgery-Nervous System</td>
<td>Brain aneurysm repl, complx</td>
<td>61698</td>
<td>69.63</td>
<td>100</td>
<td>6,963</td>
</tr>
</tbody>
</table>

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My Approach

• Build trust – through open communication
• Understand what motivated the Physician to cease work
• What are the psychosocial factors that are impacting the Physician
• Apply the Contract and at the same time be reasonable with your approach

Case Study #1

• 58 Year Old Family Doctor – Dr. X
• Disabled due to Depression – Mainly family stressors
• Identified through detailed telephone Interview by Case Manager
• Pre Dis – worked long hours in a busy practice 65 – 70 hours per week
• Competing priorities causing stress leading to Depression – Work/Life balance
• Feeling inadequate at work and at home
• Treatment in place – psychotherapy, CBT, medication – compliant
• C M – maintained frequent contact with the DR. X and TX team – Building Trust
• Dr. X did RTW during TX phase and had a long period of Partial Disability
• CM was managing the file in an attempt to get Dr. X back to full time Practice
Case Study #1

- Finally Dr. X reached good recovery – maintenance meds + Counseling
- Through Dr. X’s Tx and the CM’s involvement with his Tx Team
- Dr. X made a personal decision to return to his practice full time – reduced hours
- Dr. X was no longer restricted due to disability – Claim Resolved
- Dr. X’s choice to maintain good health – Work/Life Balance

Case Study #2 – Dentist

Dentist claiming residual disability. Both prior to and subsequent to disability other dentists provided dental care to patients of the practice.

- Increase and decreases in productivity and earnings consistent with timing of associate dentists joining & leaving practice.
- Units, charges, payments and RVD’s increase to levels exceeding pre-disability when associate dentists leave.
Case Study #2 - Dentist

 Loss not due to disability considerations:
  (Associate dentists provided substantially all the services.)
  (Insured suffers losses although his production increases post-disability.)

Case Study #3 - Cardiologist

Cardiologist in a solo practice claiming total disability from performing invasive/interventional procedures.

<table>
<thead>
<tr>
<th>Year</th>
<th>Earned Income</th>
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<tbody>
<tr>
<td>2001</td>
<td>3,148,191</td>
</tr>
<tr>
<td>2002</td>
<td>3,294,424</td>
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<tr>
<td>2003</td>
<td>3,358,413</td>
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<td>2004</td>
<td>3,707,328</td>
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<tr>
<td>2005</td>
<td>3,189,505</td>
</tr>
<tr>
<td>2006</td>
<td>2,856,060</td>
</tr>
</tbody>
</table>
Case Study #3 - Cardiologist

How did he make the money:

- Very large cardiology practice
- Nuclear Cardiology Lab
- Blood Lab

While insured stopped performing invasive/interventional procedures he continued to practice in his non-invasive office based cardiology practice.

Case Study #3 - Cardiologist

Referrals:

- 15% Cardiologists
- 60% Family Practice/Internal Medicine
- 25% Other Fields of Medicine
- 100% Continued to obtain new patients after disability

QUESTIONS?