CUA REPORT

A POWERFUL VOICE FOR CALIFORNIA UROLOGISTS

If It's California and It's Urology - It's CUA

President's Report by Douglas Chinn, M.D.

The CUA continues to be the strongest voice for California urologists. More than ever, California urologists are facing many socioeconomic issues daily the CUA is there to address these issues. Your officers and committee representatives have devoted time and effort to maintaining our professional presence at the state and national levels, advocating for individual urologists, and strengthening the general practice of urology in significant ways.

Recently, Dr. Kaufman attended the CMA Leadership Conference in Indian Wells where he learned more information on the leading issues regarding a hearing on tort reform before the Senate (S 22) and at the state level, another bill before the state senate that would limit physician ownership and use of CT, MRI and nuclear medicine equipment unless they are full time radiologists, as well as CAP information. We must commend Dr. Kaufman on his devotion to the practice of urology and for his new position as AACU President. We are fortunate to have one of the most knowledgeable men in the socioeconomic arena and who has a strong connection with our partners at the AACU. In February, Dr. Daniel Nachtsheim, Past President and currently the Representative to the AUA Board of Directors, met with the AUA Board and welcomed socioeconomic activists. Dr. Robert Eisenberg will be attending the California Technology Assessment Forum (CTAF) in June, Dr. Hildreth, our CMA Representative, has been keeping us abreast of the news at the CMA House of Delegates meeting.

We are working in tandem with Rai Flynn, State Affairs Manager, AACU -State Society Network to create an alliance and broaden our arm's reach. There are state legislation on the horizon that may start the process of taking away urologist's rights to perform and read diagnostic imaging procedures. Alerts have been sent out by email, please be sure to respond to each one.

This year, the WSAUA/CUA Socioeconomic Forum will have great topics and speakers. We hope to see all of you at the Annual Meeting, October 22-27, 2006 in Maui, as well as at our Annual Membership Meeting on Tuesday, October 23.

Please submit your Hot Line issues at info@cuanet.org. We would like to know what is happening in your area. It is important that you ask your colleagues to join CUA numbers count in Congress! We can only show our strength in numbers and actively voice our opinions and everyone counts. Finally, the CUA is always looking for new leaders and committee representatives should you be interested, please see page 7.

18th Annual CUA Meeting- Dr. Kaufman speaks on CAP. Officers seated at table: (L to R) David Benjamin, Secretary; Vito Imbasciani, M.D., Ph.D., President; Douglas Chinn, M.D., Incoming President.

INSIDE THIS ISSUE

A Publication of the California Urological Association, Inc.

CUA Mission Statement:

CUA is a political and socio-economic urologic organization whose purpose is to actively represent, organize and integrate urologists into the current healthcare system by means of communication and representation to similar organizations and to maintain the highest quality of urologic care.

CUAction Report Political, Economic and Medicare Updates

By Jeffrey Kaufman, M.D., FACS, Past President, AACU President, NHIC Carrier Advisory Committee, Representative to AACU & UROPAC

Medicare Fees - P4P - Audits - CAP - Political Climate

There are a number of issues clouding the horizon as we move into 2006 that promise to have enormous impact on the financial health of your practice. The better you educate yourself and understand the forces that shape our economic landscape, the more successful your efforts to navigate these challenges will be. I hope the short list that follows motivates you to become politically involved. The practice life you save may be your own.

MEDICARE FEES

Congress utterly failed to deal with the issues affecting Medicare fee payments in 2005. Despite promises for the past several years that they would discuss changes to the existing Sustained Growth Formula (which dictates fee schedules and which all agree fails to reflect real world costs of delivering health care), they once more put off the hard decisions. Fortunately, they reversed a planned 4.4% rate cut, agreeing to hold 2006 payments at 2005 rates. Of course, this is of little help when we are faced with significant inflationary overhead costs and additional demands to cooperate with unfunded mandates. If nothing else is done this year, this repeatedly delayed resolution will cost us more in 2007 than originally predicted, bringing cuts of at least 4.8% on the way to a total of more than 30% decreased reimbursement by 2015(at which point reimbursement will be less than ½ 1991 fees after adjusting for inflation). Remember that the increases given to physicians over the past few years are actually loans that will need to be paid back if nothing is done to alter the SGR formula. Physicians are the only ones threatened by these cuts since all other components of health care are paid based on the Medical Economic Index (MEI) (which provided increases of 2.9-3.8% this year as opposed to the 4.4% cut we narrowly avoided). Could this be due to the lobbying efforts of the hospital associations, home health care agencies, pharmaceutical industry and Medicare HMO insurance carriers? Is there a lesson for us in this?

At the same time, CMS refused to accept data acquired by AUA surveys that should have supported an increase in many urologic reimbursements based on practice expense information (with 2 limited exceptions). Although they were required by the 2003 Medicare Modernization Act to do so, they felt there were too many complicating issues to make the adjustments this year despite strong encouragement from AUA lawyers. Congress felt no compunction, however, about cutting other fees when they made plans to adjust certain ASC payments downward next year to no more than that paid to hospital outpatient departments (this will significantly impact payments for prostate biopsy, CPT 55700 [from $446 to $264], and CMG, CPT 51726 [from $333 to $155]). In addition, fees paid for imaging studies will be cut, reducing the technical components paid to physicians to that paid to outpatient hospital departments (impacting ultrasound guidance for prostate biopsy CPT 76942). Fees paid for imaging contiguous anatomic regions (i.e. abdominal and pelvic CT) will be cut as well.

P4P

While reimbursements are being cut, Congress and private insurers are questioning the value they are getting for their health care dollars. Many have called for a new layer of data acquisition and review that is commonly referred to as Pay for Performance (or P4P). This is a very important new dimension in discussions over how to fund health care and we must be committed to understanding this proposal and letting our representatives know how it will affect our practices. Simply put, P4P will require you to notify Medicare and private payers about numerous parameters that gauge the health of your patients and your success at meeting different health care targets. Issues that have yet to be determined involve 1) who will determine which aspects of care are best to examine, 2) how can physicians adapt billing software to comply with these new reporting demands at affordable prices, 3) will the information be used to educate practitioners or to punish, 4) will your practice data be available publicly, 5) will outcomes be adjusted for severity and co-morbidities, 6) will these new reporting requirements be cost neutral or will bonuses be paid for compliance (or penalties for non-cooperation), and finally, 7) will such a program have any real impact on the quality of care provided (has anyone actually demonstrated a need for such a new, sweeping, expensive program?). Many of us who have listened to early proposals from Congress as well as from private payers have suspected this is more a tactic to control costs and limit access to care than it is a true effort to improve cost-efficient, quality health care. Unfortunately, Washington has seized on this issue as their promised savior in the battle to control medical costs seemingly from the President on down. The chief administrator of CMS, Mark McClellan M.D., Ph.D. recently stated that the fight over Medicare fee updates will become an annual struggle if doctors can't prove their involvement in some sort of pay for performance program. Although many prominent physician leaders have expressed some reserve about the need or potential for such a program to improve quality, the AMA has gone forward quietly to begin working with CMS developing various parameters that could be tracked. They did this without notifying or consulting with component specialty societies who have voiced great dismay that they were not part of the process. This may mean that you will be forced to provide data to Medicare and other payers on

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your performance and patient outcomes that includes information that you or the AUA does not feel accurately portrays quality urologic care or is likely to lead to improved outcomes facing financial penalties for non-cooperation. At the same time, you will need to spend significant amounts of money to upgrade computer software in order to comply.

On the bright side, a very hastily constructed program that has never been tested and posed significant challenges which was included in the Senate version of the bill that authorized current Medicare fees was deleted from the final version after significant lobbying by many groups including the AACU and AUA. If you are following the health care news from Washington, however, you realize this issue is just beginning and will be greatly discussed and probably forced on us later this year. If it is implemented, we are asking that additional reimbursements be made for compliance, that penalties not be applied for lack of participation, that the AUA be involved in creating those urologic related criteria used to track "quality", that the results be confidential and used for education only and that the authors of this project demonstrate a verifiable need and benefitat least sufficient to justify an enormous new burden on our practices.

Personally, I would like to see the AUA, AACU, ACS and AMA strongly oppose this new mandate as an unproven, under-funded, unnecessary burden that will cost practitioners greatly in time, software upgrades, decreased reimbursement and increased regulation with little to suggest that there is any problem delivering quality urologic care or that such a program would change current practices. I think our leaders have been too quick to accept this proposal and too willing to cooperate, especially the AMA who engaged willingly without even notifying those most impacted, its members. At its worse, this will become little more than another tool to control costs and volume at our expense.

AUDITS

Tied in with the question of whether payers are receiving quality for their dollars, CMS has stepped up its audit programs. I have previously warned about the Comprehensive Error Rate Testing Program (CERT) which randomly reviews the performance of our California Medicare carrier NHIC. They are reviewing the accuracy of claims submissions and the ability of NHIC to catch errors. If contacted, you must reply. Failure to do so is counted as an error and you will be charged to payback money for the issues in question. The government's contractor claims that urologists' error rates are above average, most commonly involving E&M coding where the auditor may disagree with the physician's assessment of the complexity of the problem considered and downcode payment. At the same time, California is now undergoing another new pilot program along with Florida and New York that tests the return on investment for Medicare bounty hunters. Named the Recovery Audit Contractor (RAC), this company began 4/1/06 to review various previously paid bills. Since their fees are based on collections of overpayments, they have a clear cut bias to adjudicate any dispute in their favor (theoretically, though they are also obligated to note any under payments, it is unclear whether they would make such an adjustment). Although we know of only one urologist caught in this audit so far, there is a potential for considerable pain if this program proves successful for CMS. To defend against these audits and to insure the best care for your patients, it is more important than ever to document properly and completely everything you do. These reviewers operate on the policy that if it isn't documented, it didn't happen and you can't get paid for it (don't anticipate that the reviewers are trained urologists who can read between the lines; you will have to spell it out for them). A few moments spent creating a complete note for each patient will pay dividends if these contractors ever come calling. If you (or someone you know), is audited by the RAC, please notify the CUA or me immediately. We are carefully tracking this program and may be helpful in constructing your response.

CAP

NHIC is changing their policy on payment for LHRH agonists to include Trelstar under the least costly alternative policy. By the end of June 2006, it will paid at the rate of the cheapest drug in this category (currently Zoladex). This puts more focus on how to provide medications to our patients without financial jeaopardy. Shortly after this article is received, the government plans to restart their proposed Competitive Acquisition Program (CAP) which provides an alternative to buy-and-bill for part B drugs. For those of you suffering losses because you are unable to acquire medications you provide to your patients in the office (LHRH agonists, BCG, Zometa, etc.) at prices less than the Average Sales Price + 6% that CMS reimburses, this program may promise an alternative. Although obtaining part B medication through the CAP contractor will remove any financial liability from your practice, the overhead anticipated may be so burdensome that you might have wished to avoid participation altogether. Fortunately, our lobbyists were able to secure a change in the program so that the purchase prices of the large CAP contractors (who are expected to achieve volume discounts) will not be included in the ASP+6% calculations. This means that current levels of reimbursement should remain relatively stable. A recent survey indicates that only a small minority of urologists plan to sign a CAP contract because of burdensome overhead requirements. The program which starts 7/1/06 will begin registration 4/1/06. The AACU, which provided an excellent national phone conference on this topic last Spring, will repeat an updated version in the next few months. New details on what will be required if you choose this option and instruction on new strategies to defer participation in the CAP and still limit your liability for part B drug losses will be provided (no, we have no great solutions that would return to the profitability of providing these medications a short time ago!). For those of you interested in the CAP, enrollment begins 4/1/06 and closes 5/18/06 to participate in the first year from 7/1/06 to 12/31/06 (future

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2005 CUA Annual Membership Meeting Minutes

18th Annual Membership Meeting- Tuesday, August 2, 2005 ~ Vancouver, BC

Officers Present:
Vito Imbasciani, M.D., President
Daniel A. Nachtsheim, M.D., Immediate Past President
Jeffrey E. Kaufman, M.D., Past President
David Benjamin, M.D., Secretary
Staff Present
Chris DeSantis, MBA
Jeannie DeSantis, MBA

1. Call to Order
A quorum was established with 45 members present and approximately 60 in total attendance, President Vito Imbasciani, M.D. called the meeting to order at 12:00 p.m.

2. Approval of Minutes
The minutes of the previous meeting of the 17th Annual Membership Meeting held on August 24, 2004 and the Interim Board Meeting held on May 22, 2005 were presented and accepted as read.

3. Report of the President Vito Imbasciani, M.D., President
Dr. Imbasciani began his report by thanking everyone in attendance and introducing the officers, dignitaries, and CUA past presidents. Dr. Imbasciani stated that some of the goals this past year were to integrate with state societies to form a common bond. Much effort has been put forth by the people at the AACU and the CUA is working well with them. The CUA has been noted to be one of the biggest and most powerful state societies at the Washington DC conference. The CUA has a big impact on urologist's say at the House of Delegates and the CUA works against unfunded mandates. The CUA, AACU and other state societies are beginning to coordinate legislative efforts to bring forth better results. Dr. Imbasciani ended with the overall goals and mission of the CUA and how the organization has progressed to become one of the most powerful state organizations in the US that offers a hotline for coding and reimbursement issues, provides local Medicare review policy LMPR, and provides judicial support for the members and interacts with other specialty organizations through the California Medical Association. Dr. Imbasciani noted the importance of membership growth and leadership in the CUA. He noted that the officers and committee members are involved with: the CMA Council on Legislation, CMA Specialty Society Delegation, the CMA Leadership Academy, the California Technology Assessment Forum, AACU, AMA and AUA Coalition in order to keep aware of current issues. He also recognized the work effort and diligence of the CUA office staff support Chris and Jeannie De Santis. The motion to approve the President's Report was seconded and passed.

4. Report of the Secretary, David Benjamin, MD
Dr. Benjamin reviewed the Membership report noting that there were 442 members. The CUA had 2 new members in 2005. He also noted that the senior memberships increased to 23% of the membership. The motion to approve the Secretary's Report was seconded and passed.

5. Report of the Treasurer, Chris De Santis for Philip Beck, M.D.
Chris DeSantis, referencing the financial reports that were included in the handouts, reported that the CUA's financial condition is healthy with close to $92,000 in assets with a decrease in expenses of $5,308. He noted that the organization is self-sustaining based on dues income rather than commercial support with no debt. He stated that the CUA is slowly building its financial base and that the CUA has no assets in mutual funds. All reserves are staying in cash at this time. He also stated that the dues income mainly support the operations of the organization. He stressed the importance of all members' dues payments, and encouraged the grass-roots recruitment of new members and the need to continue to market CUA as an effective advocate. He stated that the CUA operates as a lean organization with no heavy overhead and can exist independent of industry support. He reviewed the dues collections for 2005 and noted that 88% of the membership had paid. The motion to approve the Treasurer's Report was seconded and passed.

6. Report of the Representative to the AUA Daniel Nachtsheim, M.D., Past President
Dr. Nachtsheim reported that the AUA is very supportive of the state societies. He noted that the state society network of the AACU is working with the CUA to strengthen our efforts in general dealings with Medicare and most issues. He noted that he and Jeff Kaufman met with US Representatives at the AUA Advocacy Conference who are proposing a nationwide Men's Health initiative to parallel the existing Women's Health Office. He said that they both also visited the office of Representative, Chris Cox, Newport Beach, and wrote a letter of support for the nationwide tort reform.

7. Report of the Bylaws Committee, John C. Prince, M.D.
The proposed bylaw changes included a new category of membership for "Corresponding Member". The new Corresponding Membership category will allow a physician in the practice of urology and who resides outside of California to be a non-voting member of the CUA. It was moved, seconded and passed to approve the report.

8. Report of the CMA Delegate Thomas Hildreth, M.D.
The report of the CMA Delegate highlighted that the highest concern of physicians was the access to imaging modalities in an outpatient setting. Due to AB516, which seeks to prohibit non-radiology physicians from self-referring for in-office use of CT scans, MRI scans and PET scans. This issue was given top priority and will result in the full legislative efforts of CMA to block this legislation. Others report topics included, the duplication of security prescription forms, and a resolution seeking increased reimbursement for minimally invasive surgical procedures such as laparoscopy and robotic surgery. The written report submitted by Dr. Thomas Hildreth, M.D was moved, seconded and passed.

9. Report of the CMA Council on Legislation Joseph Kuntze, M.D.
The report of the CMA Council on Legislation highlighted AB516 as discussed in Dr. Hildreth's report. Dr. Kuntze noted that a number of issues relating to this bill were of concern to urology and other surgical specialties, specifically the need for emergency rooms to have back up on call coverage. The concern was that given the inevitable delays incumbent upon transfer of patients to a hospital burdening the on call staff would result in more delays of patient care. The written report submitted by Dr. Joseph Kuntze was moved, seconded and passed.

10. Report of the CMA Young Urologist Representative Lamia Gabal-Shehab, M.D.
The report of the CMA Young Urologist Representative summarized that:
1) The CMA will extend the young physician discount one more year
2) There were discussions by Dustin Corcoran, CMA lobbyist, on MICRA, physician insurance contracting, employee health coverage and silent PPO's.
3) The important take-home message was to write our representatives. One letter may represent 20-50 physicians.

The written report submitted by Dr. Lamia Gabal-Shehab was moved, seconded and passed.

11. Report of the Specialty Delegation Ronald Allison, M.D.
The report of the Specialty Delegation highlighted health care in 2005 using demographics. The written report submitted by Dr. Ronald Allison was moved, seconded and passed.

12. Election of Officers & Representatives Vito Imbasiciani, M.D., President
The slate of officers is as follows for the term 2005-2007

Incoming President:	Douglas Chinn, M.D.
Imm. Past President:	Vito Imbasciani, M.D.
Secretary:	David Benjamin, M.D.
Treasurer:	Phillip Beck, M.D.
CMA Representative:	Thomas Hildreth, M.D., 2005-2007
CMA Alternate:	Vito Imbasciani, M.D.
Carrier Advisory Committee:	Jeffrey Kaufman, M.D.
Calif. Tech. Asses. Forum:	Robert Eisenberg, M.D.

The nomination of the President-Elect position was tabled. The slate of officers and representatives were voted upon and approved by the membership.

13. Report of the Medicare Carrier Advisory Committee Jeffrey E. Kaufman, MD
Dr. Kaufman noted that the CUA is available anytime to support issues that our members may have and to utilize the hotline, website and email. What ever the issues may be, he noted that he is able to take your concerns as urologists to Sacramento, Washington and Medicare. He said that he has established a great relationship with Bruce Quinn, MD, the new Medicare Medical Director for NHIC, for California. Dr. Kaufman also mentioned to visit the website www.capwiz.com/aacu/home to stay in touch with your Congressmen. Dr. Kaufman then discussed the Competitive Acquisition Program (CAP).
The major discussion points of CAP included:
Competitive Acquisition Areas
1) Medicare Modernization Act 2003
2) Alternative system for part B drugs
3) Hybrid system
4) Vendor supplies bills Medicare directly
5) You are all in or all out
6) Voluntary one year election
7) Physicians choose only 1 vendor
8) CMS will publish list of participating vendors & drugs they will offer
9) Prices may not be safe harbored from ASP calculations

Drug Categories
10) 181 drugs included
11) Drugs not included available through buy and bill

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AUA Representative News

By Daniel A. Nachtsheim, M.D.,
Past President, Representative to the AUA Board of Directors

The AUA Board of Directors met in Baltimore February 2006 and welcomed socioeconomic activists Richard Nemo, M.D of Ohio and Charles Logan, M.D. of Arkansas to the board joining Datta Waggle, M.D. They were all AACU Presidents, with Dr. Nemo the current President. He has a strong interest in developing the States Societies Network. AUA Health Policy Chairman, James Regan, reported that urology has faired better than other specialties by giving due diligence and upgrading five frequent urology codes in the 5-year review to medicare resulting in increased payment. While we have prevented a reduction in 2006 , Medicare predicts a 30% reduction over the next five years unless measures are taken. Dr. Bill Gee, AUA Treasurer and past Health Policy Chairman, comments that there is a continuing trend for Medicare to increase payment for office E & M codes and procedures and lower surgical fees. They are also encouraging Medicare recipients to join HMO plans offering the Medicare part D prescription benefits. The AUA continues to cooperate in the 3- year pay for performance initiative as mandated, but questions whether such a program will lead to any improved quality of care or reimbursement. These issues and many more will be addressed during the AUA/AACU joint Advocacy Conference in Washington DC, March 26-28,2006.

On the local scene, the race to fill the vacancy for the 50th US Congressional seat created by the departure of Randy "Duke" Cunningham is proving interesting with 14 preliminary candidates. Of the pack only Brian Bilbray has prior experience in the Congress with three prior terms, and has received support from Uropac. Bilbray, of Encinitas, California has been endorsed by former Speaker of the House Newt Gingrich. A recent California Medical Association president reported that Bibray was supportive and helpful on most medical issues during his prior terms in office. Stay tuned.

While CUA membership is strong there are over 400 Urologists in California who are not members. Please ask anyone in your group or area who are not members to consider joining. Call the CUA office with names and they will be contacted.

Finally, kudos to three California Urologists receiving recognition: Dr. John Prince for the AUA Gold Cane Award, Dr. Sakti Das as AUA Historian, and David Penson for the AUA Gold Cystoscope Award.

Membership Meeting Minutes - continued from page 5

12) Lupron depot not included
13) No savings on low volume drugs

Operational Requirements

14) Doctor submits order by phone/fax with vital information, Vendor delivers in timely fashion
15) Doctor given a unique prescription ID number for HCFA 1500 bill
16) Doctor must maintain paper or electronic inventory of each CAP drug
17) Doctor bills carrier, carrier pays vendor directly
18) CAP only available for Medicare pts, so must maintain a buy & bill system

Claims Processing

19) Submit claims to carrier w/i 14 days with ID#
20) If claim denied, doctor must appeal, drug subject to LCA policy
21) If patient does not comply with co-pay, vendor may deny future medications

Administrative Burden

22) Must order each drug, each dose, each time, provide unnecessary demographic info, electronic tracking, bill carrier in timely fashion, collect up front co-insurance verification
23) Must maintain stock of drugs for non-Medicare patients, return unused drugs, assist in collecting co-pay, cooperate with LCA
24) Be prepared for denials, having to appeal, etc.
25) Vendor prices will be included in ASP calculations
26) No payment for increased overhead and no turning back once joining

It was moved, seconded and passed to approve the report.

14. New Business

Dr. Imbasciani made recognition to Amani Abou-Zamzam who will now be consulting for the members on maximizing your urology practice, areas include: business development, practice identity, niche marketing, staff training, and reimbursement. He noted that she has over 20 years experience and has been assisting in coordinating the practice management workshops for the Socioeconomics program for the past three years.

15. Adjournment

There being no further business the meeting was adjourned at 1:15 pm on Tuesday, August 2, 2005.

American Association of Clinical Urologists, Inc. State Society Network

AACU
American Association of Clinical Urologists, Inc.

Congratulations to Dr. Jeffrey Kaufman on his new position as AACU President!

years will enroll in the Fall for 45 days to participate on a calendar annual basis). You may view vendors' names and information at http://www.cms.hhs.gov/CompetitiveAcquisforBios/ on the CMS web site.

MEDICARE PART D

It appears that the new part D Medicare pharmacy plan has a provision that would make the insurers responsible for "brown bag" prescriptions. This refers to past practices when you provided a prescription for your patient to obtain his LHRH agonist medication from the pharmacy which you would then administer, charging only for the injection procedure. While you would not suffer financially for the medication purchase, the patient could not be reimbursed by Medicare for his costs (although legal, it was frowned upon as shifting costs to patients who could ill afford such expensive medication). Now, such a prescription will be covered under the part D insurance plans, subject to the standard deductibles, co-payments and the "doughnut" exemption (however, these patients will quickly spend enough annually on medication to push them beyond the doughnut gap in coverage at which point their plan will pay 95% of drug costs). We can't expect these plans to continue to cover this oversight indefinitely, but, for the present, it does provide an option to the urologist unable to affordably provide medications to his patient. Stay tuned for updates on this topic and expected educational programs related to strategies on how to cope with increased drug overhead and falling reimbursements.

CONGRESS

Finally, this looks to be a pivotal year for health care issues in Washington. The political climate is charged by various budget constraints including unexpectedly high bills for Iraq, Katrina and part D Medicare drug benefits. Medicare premiums have gone up this year significantly causing many seniors to feel the pinch. They are not shy about letting Congress know how they feel. Although almost the entire increase was due to non-physician costs, it will be difficult to sell that to our patients if an increase in physician fees is publicized. While the numbers can be manipulated to suit your political position, Congress has been warned by the nonpartisan Congressional Budget Office that the cost of increasing physician reimbursements by changing from an SGR formula to one based on the MEI will cost more than $180 billion over the next 10 years (that estimate increases every year that the correction is delayed). Admittedly, that pales in comparison to the estimated $700 billion or more that the part D plan will cost, but remember that most politicians would have voted that plan down if they thought its costs were going to be over $400 billion. That's a done deal, but Congress remembers how they were burned on the under valued estimates. Interestingly, while they understand that pharmaceutical companies will refuse to provide new drugs if they are not paid, they expect America's doctors to continue to provide care regardless of reimbursement.

In the end, getting Congress to rationalize physician reimbursement and set fee schedules by the same formula used for all the other elements in the health care system is becoming quite a hard sell. Rep. Bill Thomas (R-CA), chair of the powerful House Ways and Means committee that oversees healthcare expenditures and previously seen as sympathetic to our concerns, has expressed open hostility to physicians coming back to the House year after year asking for a solution to the Medicare reimbursement problem. Even though we have been put in this position by Congress' failure to address the issue by deferring the hard choices and voting for short term temporary fixes, we are being made to look bad. Rep. Pete Stark (R-CA), was actually rude to AUA treasurer Bill Gee M.D. when he testified before the healthcare subcommittee last year, suggesting that physicians were already well off and needed no more Medicare increases.

ACTION

This is not the time to pull back from broadcasting our message that real reimbursement rates are falling at a rate that does not allow us to sustain our practices. Considering medical inflation, increasing costs of overhead and malpractice insurance, increased wages for our staffs and increased unfunded mandates such as P4P, even keeping fees unchanged causes us to fall behind the rising costs of doing business. Taking inflation into account, if the SGR formula is not changed, we will see another 50% drop in Medicare net revenue by 2015. At that rate, who will be left to take a phone call from the emergency room at 3 A.M.?

There are many forces at play this year that demand a sweeping revision of our health care system but it won't happen (not enough political consensus). I would like to explore some of them in a future article with some thoughts on where we are going and how the CUA among other institutions can be an effective participant in charting the course. There is an excellent chance that we may see a major bill in Congress this session addressing many of our concerns but given the size of the problem, it is unlikely to be the major overhaul some are hoping for. The relative strengths of the various stakeholders make the chances for sweeping change unlikely. Instead, we will likely see more nibbling at the margins of the problem. Most of the current politically viable proposals are merely tinkering to keep us going for another couple of years. Although health care was not a dominant theme in the last presidential election cycle, many believe that the pent up pressures on the private and public aspects of the system will propel it into the center of discussion by 2008. We need to be ready, well funded, well educated, well motivated and prepared to put our concerns forward.

Get involved. Support CUA, AACU and the AUA. Please give to UROPAC. Our specialty political action committee, now jointly sponsored by the AACU & AUA, provides us the best opportunity to gain entrance to those who make policy. Trial lawyers outspend physicians 13 to 1 in political contributions; witness their success in preserving the current tort system. Look at how the hospital associations and pharmaceutical industry have successfully lobbied for financial support. Can we do any less? If you're not at the table, you're on the menu.

Make your plans for

CUA

19th Annual Meeting

Tuesday, October 24 ~ 12 noon

Hyatt Regency Maui

To be held in conjunction with the WSAUA's 82nd Annual Meeting. Go to www.wsaua.org to make your room reservations.

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WSAUA/CUA Socioeconomics Forum

Sunday, October 22 ~ 12 noon

Work Smart/Practice Smart
How to work smart in this economically challenging environment.

Topics:

State and National Update

Benchmarking and Data Analysis

Outcomes/Standards of Practice

Health Policy Survey Results

<u>Practice Management Courses:</u>
<u>Sunday, October 22 ~ 8-11am</u>

EMR / Coding and Medicare Updates / Revenue Enhancement ~ Ancillary Services

See you in Maui

California Urological Association

Committee Activation Form

Mark your interests & fax to:
(714)550-9155

Please check the activities that you would be interested in for the CUA:

Future:

- ☐ **CUA Officer**
- ☐ **CMA Delegate**
- ☐ **Committee Representative**

Committees:

- ☐ **Membership**
- ☐ **Public Information**
- ☐ **Consultant - Hot Line Calls**
- ☐ **Other:**_____

Name:_____

Address:_____

City:_____St:_____Zip:_____

TEL:_____

EMAIL:_____

Welcome New Members

D. Duane Baldwin, MD, Loma Linda
Gary R. Barker, MD, Loma Linda
Sheldon J. Freedman, MD, Las Vegas, Nevada
Eugene Y. Rhee, MD, San Diego
Kenneth Roth, MD, Pleasanton

Visit CUA on the WEB

www.cuanet.org

Let your views be known, call your US Senator & Reps. directly at the US Capitol switchboard at **(202) 224-3121**. To find out who your Representative is, call Lisa Marie Brody at **(443) 524-1169.**

CALENDAR

- AUA Annual Meeting, Atlanta, Georgia, May 20-25, 2006
- CUA & WSAUA Socioeconomics Forum Sun. Oct. 22, 2006, 12:00 noon Maui, Hawaii, Maui Hyatt Regency
- CUA Annual Business Meeting & Lunch, Maui, Hawaii Tues. Oct. 24, 2006 -12:00noon, Maui Hyatt Regency
- Western Section 82nd AUA Annual Meeting, Maui, Hawaii, Oct. 22-27, 2006, Maui Hyatt Regency

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State Society Network page www.aacuweb.org/govaffairs/in.states.asp

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