

Cal Ortho On-Line

Orthopaedic Legal News

EMERGING TRENDS IN ORTHOPAEDIC
PRACTICE MANAGEMENT, DELIVERY
MODELS, AND LEGAL ISSUES

REPORT I—2013—SPECIAL EDITION

Cal Ortho On-Line provides COA members with timely and relevant information on emerging issues affecting orthopaedic practice.

Topics will range from new health delivery models, strategies to make your practice successful, the use of physician extenders, and updates on recent legal/regulatory developments.

This publication is only available to COA Members.

Plan to attend:

COA's 2013 Annual Meeting/

QME Course

C-Bones 2013 Annual Meeting

April 18—21, 2013

Terranea Resort

Rancho Palos Verdes, CA

LA's Oceanfront Resort

For updates on the 2012 Workers' Compensation reforms and practice management strategies that are critical to the success of your practice.

Encourage your practice manager to attend.

This meeting is accredited for 18.75 Category I CME hours and 6 QME CME hours.

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California Healthcare Foundation: Healthcare Trends of San Diego

Did you know.....

Hospitals and physicians are constantly being pressured by payors and consumers alike in one of the blooming trends of healthcare: proving your worth. As more payors gravitate toward a “value based model of healthcare,” physicians find themselves needing to supply more and more data to prove their value. However, according to ModernHealthcare.com, payors are also using patient data to their advantage. The recent buyout of Humedica, a Boston clinical data analytics firm, by UnitedHealth Group spotlighted that many payors are investing in data collected from electronic health records and using them in turn to identify patients at risk for readmission or for their condition to worsen. This lets payors intervene early to avoid lengthier hospital stays.

UnitedHealth has a long history with its data subsidiary, formerly known as Ingenix and now called Optum.

Healthcare Trends in Los Angeles and San Diego

The California Healthcare Foundation recently released a market analysis of health care trends in the Los Angeles and the San Diego Regions. The analysis discovered that while some aspects of the healthcare system are unchanging, there have been substantial changes in the market of healthcare as providers are trying to make themselves more attractive to more educated consumers.

Below is a summary of the key findings of the report.

SUMMARY

Densely populated regions of Los Angeles and San Diego face many challenges when it comes to creating a solid healthcare system. Both regions have aspects that have not changed, but many face big changes in their healthcare system to accommodate their region.

San Diego

San Diego has a health care history of maintaining their market integrity even in economic downturns. Most competition focuses on affluent communities where the three largest healthcare systems, Sharp Healthcare, Scripps Health, and Kaiser Permanente fight for market share. Key characteristics of the region include a substantial proportion of physicians dedicated to one large hospital system, a considerable base of physicians who are part of HMOs and IPAs, and many well established hospital systems.

However, to keep up with the ever changing health market, the California Healthcare Foundation found that San Diego healthcare systems were making significant changes in healthcare affordability, accessibility, and quality of care.

Key Findings in the San Diego region include:

- Private insurance is declining while public coverage is rising. This is surprising considering that many parts of the region are considered to be relatively wealthy;
- The safety net has expanded capacity because of projected expansion of Medi-Cal;
- In an effort to create a value based system, hospitals are trying to decrease expenses and add additional services by constructing additional wings to add more patient beds;
- Health plans and providers are working together to provide limited network insurance products which will allow for decreased premiums, limited provider networks, and Accountable Care Organizations (ACOs); and,
- Kaiser Permanente has continued its efforts to offer consumers lower, affordable insurance options

[Read the full report on the trends in the San Diego region.](#)

[Read the report from July 2009 to see how the trends have changed.](#)

California Healthcare Foundation: Healthcare Trends Of Los Angeles

Los Angeles

Los Angeles is notorious for having a sharply fragmented health care market primarily divided between the wealthy and those with low income. It has long since faced the challenge of accommodating a large population with shrinking hospitals and hospital staff.

To improve their healthcare market viability, Los Angeles Healthcare Systems are making significant changes in in healthcare affordability, accessibility, and quality of care.

Key Findings in the Los Angeles region include:

- Due to staff shortages, there is extremely intense competition for physicians between the competing hospitals and physician organizations;
- Many hospitals are beginning to form affiliates with each other to ease capacity constraints and build a larger referral networking;
- Physician organizations are developing accountable care organizations (ACOs);
- The Los Angeles Health Department is redesigning their healthcare delivery system to help streamline public and private health systems to remain financially feasible, effectively use their full patient capacity, and improve patient care.; and,
- Safety-net interest in ACOs.

[Read the full report on the trends in the Los Angeles region here.](#)

[Read the report from July 2009 to see how the trends have changed.](#)

Hospital CEO's Express Grim Outlook for 2013

At the start of every new year, we are bombarded with resolutions and predictions of what will happen in the next 12 months. In *HealthLeaders Magazine*, hospital CFOs from all over the nation weighed in on what they thought 2013 would bring to their hospital or healthcare system.

Below is a summary of the key findings of the report.

[The complete report can be accessed here.](#)

Key CFO Projections:

- Forecast Challenges
- Maintaining Independence
- Denial Management
- Reimbursement Pressures
- Clinical Documentation Improvement
- Physician Alignment and Integration
- EHR Implementation

Hospital CEO's Express Grim Outlook for 2013

Physician Assistants Filling the Healthcare Gap

Physician Assistants Filling the Healthcare Gap

With an increasing shortage of doctors in some parts of the country, many healthcare groups and communities are turning to Physician Assistants (PAs) to fill the gap left behind by empty doctor's chairs. The *Wall Street Journal* recently published an article entitled, 'Battles Erupt Over Filling Doctor's Shoes' which describes the tension rising between doctors and PAs in the state of Kentucky, a state which is leading the nation in establishing the PA scope of practice.

The trend for orthopaedic offices to use more PAs is increasing. PAs are an avenue to increase practice efficiencies. According to the Physician Assistant Board of California, PAs in California must work under protocols established by their supervising physician. They can perform duties which include physical exams, ordering x-rays and laboratory tests, establishing diagnoses, administering immunizations and injections, performing minor surgery, and acting as first or second assistants during surgery, etc. A physician can supervise no more than four PAs and must maintain contact in person, by phone, or email.

[Click here to read "Battles Erupt Over Filling Doctor's Shoes" taking place in Kentucky.](#)

CA Supreme Court Clarifies Rest and Break Time for Employees

CA Supreme Court Clarifies Rest and Lunch Break Time for Employees

Have you ever had a surgical technician leave in the middle of surgery to go take a lunch break? If you have, you're like millions of physicians around the nation who wondered if the medical world has special regulations for employees taking law mandated breaks and lunch hours. The California Supreme Court finally rendered a decision on regulating rest and break time for employees in the long awaited *Brinker Restaurant Corp v Superior Court*.

[Hooper, Lundy & Bookman provides an overview of the ruling which can be accessed here.](#)

Summary of the overview

The California Supreme Court ruled that employers must give nonexempt employees a meal and rest period throughout the workday. The rule is a ten minute rest break must be given for every four hours worked and a thirty minute meal break for every five minutes worked. If an employer does not let the employee take a break, the employer must pay the employee for one hour's pay per break missed called premium wages.

However, for those in the medical world there is some flexibility. The health care industry was given the following exemption: "Employees in the health care industry who work shifts in excess of eight (8) total hours in a workday may voluntarily waive their right to one of their two meal periods. In order to be valid, any such waiver must be documented in a written agreement that is voluntarily signed by both the employee and employer. [...] The employee shall be fully compensated for all working time, including any on the job meal period, while such a waiver is in effect."

CalOrtho On-Line is provided as a benefit to COA members to provide information (not advice) about legal developments affecting their medical practice.

The great number of legal developments does not permit the issuing of an update for each one, nor does it allow the issuing of a follow-up on all subsequent developments.

Internet subscribers and online readers should not act upon this information without consulting with legal counsel knowledgeable in health care law.

Comments or ideas for future topics? Contact the COA office at 916-454-9884 or coa1@pacbell.net