

# *Health Policy Newsletter*

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## Letters to the Editor

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## Letters to the Editor

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### **An ATM for Healthcare?**

Dear Dr. Nash,

Any provider of healthcare can only welcome changes that will simplify the increasingly complex task of compliance with a growing list of insurance company and government regulations ("An ATM for Healthcare?" June 2002). Providers are already burdened with the cost of the HIPPAact, documentation of levels of service and associated compliance plans, insurance plan participation credentialing that must be renewed periodically, prescription formulary requests, OSHA training and, as you noted, the paperwork burden of complying with a managed care system that siphons dollars from direct patient care and into administration. In some institutions, where order writing along with the provision of laboratory and radiology results has become increasingly automated, physicians must pay for the cost of Internet access inside the hospital's "firewall" so they can get the results of studies they have ordered. Meanwhile, reimbursement levels have fallen, and insurance companies deny payment for care, often with no practical mechanism for appeal other than their own employees who have varying degrees of independence, but all of whom know who pays their salary.

In that context, another thirty dollars per month to simplify claims processing is hardly a burden, although if the system does not integrate with a practice's billing software and computer system, it will save far more for the insurance company than the provider. At the same time, I can't help but question the justice of a system that creates an administrative bureaucracy and then charges the provider for simplifying their compliance with rules that have been created by the same insurance company that is now charging them for the solution. Until Congress levels the playing field for physicians and other providers to organize, they and the patients they serve will continue to suffer from a system that has resulted in publicly traded managed care companies being one of the few leaders in this year's otherwise dismal stock market, while hospitals struggle to survive and physicians retire or seek other careers.

The profit driving those stock prices had to come from somewhere. Unfortunately, it was taken out of the pockets of providers and those who purchase health insurance, a price our patients are paying in many ways, ranging from longer waits and less time with their physicians, to unemptied trash cans, dirty floors and fewer, but more harassed, nurses when they are in the hospital.

### **John R. Cohn, MD**

*Clinical Professor of Medicine  
Clinical Assistant Professor of Pediatrics  
Jefferson Medical College*

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Dear Dr. Nash,

This ATM concept is the future of healthcare and not just for billing. Clinical information needs to be stored, distributed and available in this manner.

Cynic that I am, I have a comment about the insurance companies. No matter how quickly, how clean, or how electronic we make our bills, our local insurance companies have a neat trick called "denials." They simply refuse to pay even when what is billed for is a covered service, the bill is timely, and clean as can be. We have a whole team that works constantly on reducing denials. Year in, year out, in our \$350 million health system, denials can be \$2-3 million. We count it a good year if we can keep it down to \$1 million.

Still, I applaud what they are doing. There is no reason why everyone's clinical information cannot be electronically stored and retrieved anywhere in the world. Billing should be done in the same manner.

**James Butterick, MD**  
*Southcoast Health System*

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**MedicaLogic Quality Improvement Consortium (MQIC)**

Dear Dr. Nash,

I read with interest your editorial on the MedicaLogic Quality Improvement Consortium (March 2002). Although I agree that this is a laudable step, it is no way groundbreaking.

The Practice Partner Software from Physician Micro Systems has this effort beat by seven years. Practice Partner, installed in over 650 sites (30% more than MedicaLogic), has had PPRnet in existence since 1995. There is clinical benchmarking, a yearly users group and discussion, and over 4 million patient visits currently in the database. As a founding board member of this effort, I agree that it has merit but has yet to make a major impact in quality across a large number of practices.

I am unaware of any other efforts, but they may exist. These two products consume a majority of the market share for electronic medical record (EMR) systems in the nation for small and medium practices.

More information on PPRnet can be found at [www.pmsi.com](http://www.pmsi.com). I am not practicing now, do not currently use the product and do not work for the company in any way. I just think it is a great product and a great effort.

**Lawrence D. Ramunno, MD, MPH, CDE**  
*Director, Health Care Quality Improvement Program*  
*Northeast Health Care Quality Foundation*

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