



Snohomish County Medical Society

Update: March 2009

FTC Maintains Stance on "Red Flags" rule for Healthcare Providers

The Red Flags rule regulates "creditors" and is part of the FTC's implementation of the Fair and Accurate Credit Transactions (FACT) Act of 2003. It requires creditors who maintain "covered accounts" to implement an identity-theft prevention program that uses Red Flags, which the FTC defines as indicators of a possible risk of identity theft.

The FTC said last fall that it considers health care providers to be creditors within the meaning of the rule if they do not require a patient to make payment in full at the time of service. This would include, for example, practices that bill insurance companies before requesting payment from the patient. While the rule was originally scheduled to take effect on Nov. 1, 2008, advocacy efforts by medical associations resulted in a six-month delay in enforcement until May 1, 2009.

In a letter responding to the health care community, the FTC maintained its stance that health care providers are creditors under the rule. It further stated that, "given the risk-based nature of the Rule's requirements, as a practical matter, however, we do not believe that the Rule would impose significant burdens for most providers." As an example, it stated that in low-risk practices, an appropriate program might involve checking photo identification and having policies to deal with the theft of a patient's identity (including not trying to collect the debt from the patient and separating the medical records of the real patient from those of the identity thief).

Support Grows for Project SwipeIT

Project SwipeIT is intended to advance the adoption of standardized patient identification (ID) cards containing compliant, machine-readable information by Jan. 1, 2010. It is estimated that machine-readable patient ID cards could save physician offices and hospitals as much as \$1 billion a year by improving administrative efficiencies and reducing the number of denied claims. Machine-readable patient ID cards are designed to provide real-time patient information at the point of care. Cards complying with the standards developed by the Workgroup for Electronic Data Interchange will ensure uniformity of information, appearance, and technology.

The Medical Group Management Association (MGMA) is urging medical groups, health plans, and vendors to sign the pledge to begin offering their customers standardized, machine-readable patient ID cards. The America's Health Insurance Plans (AHIP), the trade association representing thousands of commercial health insurance companies, and numerous state MGMA and physician specialty organizations have also signed the SwipeIT pledge. Log onto www.swipeit.org to learn more and to support this important administrative simplification initiative.

CMS identifies problems with some 2009 PQRI measure codes and posts partial 2008 PQRI aggregate data

Late last week the Centers for Medicare & Medicaid Services (CMS) made two

announcements pertaining to the Physician Quality Reporting Initiative (PQRI). First, CMS disclosed that some of its claims-processing contractors are not prepared to recognize 20 quality data codes used for 13 PQRI measures. This problem affects PQRI claims-based reporting only and causes some of the PQRI reported information to be rejected. CMS expects to resolve this issue by April and offers affected providers two options to minimize any adverse impact on reporting in the 2009 PQRI.

You can access a detailed list of problematic measures and more information on the [CMS site](#), but in summary, breast and colorectal cancer, nuclear medicine, preventative care, rheumatoid arthritis, hepatitis C, endoscopy and wound-care measures are affected.

Second, CMS posted a preliminary [2008 PQRI Quality-Data Code Submission Error Report](#), which is an aggregate and per-measure report on codes submitted between Jan. 1, 2008, and Sept. 30, 2008. Those 2009 PQRI participants can use this information to identify commonly made reporting errors by 2008 PQRI participants.

New resource covers medical home recognition

A new resource from the AMA features a pair of incentive programs that are based on the medical home model, a concept that has attracted the attention of large employers, physician groups, insurers, states and the federal government, all of which are collaborating to explore a new way of delivering health care.

Last year the AMA adopted the "Joint Principles of the Patient-Centered Medical Home," joining the American Academy of Family Physicians, American Academy of Pediatrics, American College of Physicians and the American Osteopathic Association in endorsing the principles. The principles include guidelines for the coordination of care to improve the patient-physician relationship, quality and safety, access to care and the payment model for coordinated services.

Along with public and private payers launching medical home pilots, Bridges to Excellence (BTE) recently partnered with the National Committee for Quality Assurance (NCQA) to offer an incentive program for physicians that is based on the medical home model. The AMA resource "Achieving medical home recognition" features the BTE and NCQA models, notes AMA policy regarding the medical home concept, and details other BTE and NCQA programs that are integral to physician practices being recognized as medical homes.

Visit <http://www.ama-assn.org/go/pfp> to access this resource.

2009 Snohomish County Medical Society directories were mailed in January! Please contact Anne Markell, anne@wsma.org, if you did not get one or go to the website to order extra copies for your office.

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