



- providing current information on health care industry issues and legislation

Health & Human Services Announces Final Rules on “Meaningful Use” of Electronic Health Records

On July 13, 2010, Health and Human Service Secretary Kathleen Sebelius announced that the rule for “Meaningful Use” of Electronic Health Records have been finalized. While similar to the proposed rules set forth in January, 2010, HHS took into consideration more than two thousand comments while finalizing this rule.

In its final form, the requirements for meaningful use incentive payments will be implemented over several years, with the phasing in of additional requirements and increasing performance requirements on IT in later years. Additionally, the final rule specifies the initial criteria that eligible professionals (EPs) and eligible hospitals must meet to stay in compliance with the law. In addition to these requirements, the final rule also sets forth a formula for the calculation of incentive program amounts and a schedule of payments under Medicare for covered professional services and inpatient hospitals that fail to demonstrate meaningful use of EHR technology by 2015.

Additional key changes found in the final rule include:

- Greater flexibility with respect to eligible professionals and hospitals in meeting and reporting certain objectives for demonstrating meaningful use. This is done by dividing the objectives into two categories, a “core” group of required objectives and a “menu set” of procedures where providers can choose to defer any five until 2011-2012.
- An object of providing condition-specific patient education resources for both EPs and eligible hospitals with the objective of recording advance directives for eligible hospitals.
- A definition of hospital-based EPs as those that perform substantially all of their services in an inpatient hospital setting or emergency room setting.

Full copies of the final rule can be viewed at
http://www.ofr.gov/ofrupload/ofrdata/2010-17210_pi.pdf

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Result of the Patient Protection & Affordable Care Act Forces Changes to Medicare Payment Rules

By: Candace Thomas

In addition to expanding access to affordable health insurance and reform of the health care delivery system, significant changes to Medicare are also found in the Patient Protection and Affordable Care Act. These changes include important new benefits for enrollees, new taxes to shore up Medicare's financing, and cutbacks in the growth of payments to hospitals and other providers. The changes enacted will come into full effect over the next 5 years.

Some of the changes that will impact physicians most directly including a 10 percent increase in payment for primary care services as well as a 10 percent increase in payments to surgeons in areas where it's deemed that there aren't sufficient health providers. Annual payment increases to providers will be changed, with the payments to providers not increasing at the same rate as they have in the past. Additionally, an exception is seen with respect to payments to some small rural hospitals that don't serve large numbers of Medicare patients in that payments to these hospitals will see an increase in their reimbursement rates.

While the full scope and dimensions of the new law's effects are not yet clear, it is anticipated that additional, more specific rules, will be established in order to enforce the new law. **H.H.C. Group** will continue to keep you apprised as to the status of these changes, and how they will effect both companies, and individuals.

Proposed New Rules to Privacy, Security, and Enforcement Rules

The Department of Health and Human Services recently issued a noticed to modify the Privacy, Security, and Enforcement Rules issued pursuant to HIPAA.

The recently proposed modifications to the HIPAA Rules include provisions extending the applicability of certain Privacy and Security Rules' requirements to the business associates of covered entities, establishing new limitations on the use and disclosure of protected health information for marketing and fundraising purposes, prohibiting the sale of protected health information, and expanding individuals' rights to access their information and to obtain restrictions on certain disclosures of protected health information to health plans. In addition, the proposed rule adopts provisions designed to strengthen and expand HIPAA's enforcement provisions.

It is anticipated that these changes will go into effect sixty (60) days after they have been available for public comment. To see a full copy of the proposed rules, view them at www.regulations.gov.

The examples below demonstrate recent savings achieved through our **Medical Review Program**. If a claim is unusually high and the provider will not negotiate or does not participate in any of our 230 **plus** contracted PPOs, the claim may be a good candidate for a **Line Item or Comprehensive Bill Review**. Please contact your sales representative or Medical Review Program Department at 301-963-0762 ext. 102 or via e-mail at mrp@hcggroup.com for more information on these programs.

Medical Review Program Bill Review Examples

Line item bill review savings examples:

Case A: Coronary Artery Disease

Case B: Chronic Skin Ulcers / Bone Marrow Biopsy

Case C: Subendocardial Myocardial Infraction

Bill Amount	Recommended Denial
Case A: \$73,327.75	\$29,514.39 or 40%
Case B: \$75,193.33	\$29,027.85 or 39%
Case C: \$52,767.32	\$6,913.67 or 13%

Negotiation and Repricing Savings Examples

The examples below demonstrate recent savings achieved through our Negotiation and Repricing Services. If you are currently using only one of our many services, please contact your sales representative or Joe Michaud, Executive Vice President of Sales at 301-963-0762 ext. 110, or via email at j_michaud@hcggroup.com to find out how to access all of our health care cost containment services.

JULY, 2010 EXAMPLES			
TYPE OF SERVICE	AMOUNT BILLED	% SAVED	SAVINGS
NEGOTIATION	\$150,500.00	43%	\$65,150.00
	\$141,144.85	42%	\$59,144.85
	\$130,056.05	38%	\$49,538.55
	\$217,782.15	20%	\$43,782.15
REPRICING	\$141,418.56	25%	\$35,354.64
	\$20,203.00	82%	\$16,557.52
	\$45,746.50	25%	\$11,436.62
	\$15,809.00	55%	\$8,649.23

3-Star Preferred Provider Program Additions

One of the strengths of **H.H.C. Group** lies in its relationships with providers. We are pleased to announce the following new program members.

A&A Medical Supply Company,
Reisterstown, MD 21136
Alfred J. Dolce,
Hallandale Beach, FL 33009
Arizona Pain Specialists,
Scottsdale, AZ 85258
Ashok Chaddah,
Indiana, PA 15701
Biodiagnostic Laboratory Services
Parsippany, NJ 07054
Braunreiter Family Sports Health,
Sugar Land, TX 77478
City of Paintsville AMB,
Paintsville, KY 41240
D Path,
Memphis, TN 38148
Duane Desisto/Insulet Corporation,
Bedford, MA 01730
Ekoscience Diagnostics,
Lisle, IL 60532
Elite Diagnostix, Inc.,
Pembroke Pines, FL 33028
Essam Malaty,
Port Arthur, TX 77642

Faith Counseling Center,
Scottsdale, AZ, 85260
First Choice Homecare, Inc.,
Broadview Hts, OH 44147
Functional PT of Ohio,
Waterford, MI 48328
Greater Binghamton Obstetrics and GYN,
Johnson City, NY 13790
Helene Koch,
Bala Cynwyd, PA 19004
Hospice & Palliative Care of North,
Barrington, IL 60010
James A. Cushing, MD,
Mission Viejo, CA 92690
James Cianciulli,
Jeffersonville, PA 19403
James Gorton, PhD,
Paradise Valley, AZ 85253
LA War Vets Southeast,
Reserve, LA 70084
Levenworth Family,
Lansing, KS 66043
Liberty Medical Spec Whiteville,
Whiteville, NC 28472

New York Eye Associates,
Brooklyn, NY 11223
Pacific Gateway Dialysis,
Gardena, CA 90248
Punita Kothari,
Tiffin, OH 44883
Robert Radomile, MD,
Philadelphia, PA 19115
Sherry Oleck-Nesmith, LMHC,
Port Townsend, WA 98368
Singulex, Inc.,
Alameda, CA 94502
Sleep Solutions,
Belfast, ME, 04915
St. Joseph HHC,
Syracuse, NY 13203
Stephen A. Cantor, MD,
Priscott, AZ 86301
The Digestive Endoscopy Center,
Flint, MI 48507
Walczyk Marek,
Park Ridge, IL 60068

CONTACT INFORMATION

Additional product/services information: visit
www.hhcgroup.com or 301-963-0762 ext. 110.

Repricing support/assistance: please contact
appeals@hhcgroup.com or 301-963-0762 ext. 212.

Medical Review Program support/information: please contact
mrp@hhcgroup.com or 301-963-0762 ext. 102.

Claim referral submission: please contact
referrals@hhcgroup.com or call 963-0762 ext. 131.