



# KANSAS MGMA NEWSLETTER

Vol. 6 No. 3

Kansas Medical Group Management Association

Summer 1995

## President's Message

by Jim Lockhart

Our Fall Meeting is right around the corner and it is time to think about member participation. I hope that most of you will make the trip to Overland Park. It is a wonderful place to visit.

Attending our conferences is vitally important to the networking process but there are other ways to become involved in KMGMA. KMGMA has a variety of committees which need your help. There is the Insurance Committee, Membership Committee, Human Resources Committee, Newsletter Committee and others. If you are interested in joining a committee, feel free to contact the committee chairperson or the executive committee. See you in Overland Park!



## A Note From The Editor

by Meg Payne

It's Fall again! Summer vacation is over, school begins and we all face the routine, again! So, what will be the routine for us as administrators and managers? Are mergers part of the routine? Are more capitated contracts part of the routine?

The MGMA Neurosciences Administration Assembly recently conducted a survey of capitation. They presented some of the biggest concerns of physicians and administrators. Perhaps, we share some of these concerns —

1. Rate setting
2. Risk management issues
3. Physician compensation issues

4. Loss of revenue compared to FFS equivalent charges
5. Loss of control
6. Large increase in volume
7. Decreased quality – delayed referral process
8. Patient dumping

The listing represents a few of the concerns. I know that other areas of concern include negotiation of contracts, evaluation and levels of satisfaction – outcome measurements – to name only a few.

So, what is the routine for the next year? Think about it! Don't become too lost in thought – but the realizations may surprise you!

### CONFERENCE NOTE:

The Fall conference on September 21 and September 22, 1995 is quickly approaching. An excellent program has been developed for your personal and professional development. Input has been received from many of the members of KMGMA and every attempt has been made to tailor this to the needs of those facing the trials and tribulations of our industry. Highlights of the program include a presentation by Insurance Commissioner, Kathleen Sebelious, as well as the presentation by Terri Rosen, who will present specific "how to" in avoiding litigation from employees for a variety of causes. The other general session we have provided Eileen McDargh, who has provided her programs on "performance mastery" to audiences ranging from major corporations to small groups. Our break out sessions are to going cover everything from rural health issues, violence in the workplace to current events at the HCFA.

Your registration packets have arrived and need to be completed quickly as we expect an extremely large turnout at this Fall conference in Overland Park. We look forward to seeing you there.





## ***New KMGMA Members***

Dixie L. Rose  
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Medical Services Partnership  
DRS Marshall and Hodges  
655 S. Santa Fe  
P.O. Box 1845  
Salina, KS 67402-1845

Helen Kirby  
Office Manager  
Regional Surgical Associates, PA  
3520 Lakin St.  
Great Bend, KS 67530

Kathy McDonald  
Clinic Manager  
Haysville Clinic  
146 N. Lamar  
Haysville, KS 67060

Debra Lee Buhrman  
Office Manager  
Hesston Medical Office  
444 N. Lancaster  
Heston, KS 67062

James R. Clouse (Jim)  
Reimbursement Manager  
Wichita Surgical Specialists, PA  
818 N. Emporia, Suite 200  
Wichita, KS 67214

Fred McLean  
Administraor  
Good Samaritan Clinic  
3701 E. 13th  
Wichita, KS 67208

Norma J. Hunt  
Office Manager  
Mid America Physicians Chartered  
913 Sheidley  
P.O. Box 477  
Bonner Springs, KS 66012-0477

Beverly Jean Swegel  
RN - Office Manager  
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Mona Sabet  
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Ottawa Medical Specialists  
1320 Ash Street #203  
Ottawa, KS 66067

Cora Joan Kunard  
Office Manager  
Francisco Reyes, Jr., M.D.  
1320 Ash St., Suite 206  
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### **Low-fat Diet goes to your head**

Eating healthy food makes you happy? Well, sort of. Researchers in Portland, Oregon's five-year Family Heart Study find that people who have a diet low in fatty items experience fewer "blue" days and are better able to control feelings of anger. Skipping the French fries, whole milk and other high-fat foods seems to help people deal with stress of life.

Maybe it's not a new discovery after all. Some 2,000 years ago the Roman poet Horace said, "Clogged with yesterday's excess, the body drags the mind down with it."

Eating more fruits and vegetables

## **TO YOUR HEALTH**

complies with the old wisdom and the new.

\* \* \* \* \*

Taking the Sting out of Bug Bites

If you're planning a Labor Day fishing trip or picnic, be prepared for pesky mosquitoes, angry bees, and chummy chiggers.

Insect repellent is your ally, but it's best to prepare for the inevitable bite or sting. Select over-the-counter treatments in advance. Here's what to look for:

\* Products with menthol and camphor relieve pain by substituting warmth or cooling.

\* Hydrocortisone products relieve inflammation and itching.

\* Benzocaine and dibucaine block the feeling of pain at the site of the injury.

\* Zinc oxide and calamine lotion help dry the skin.

\* Antihistamines (topical and oral forms) relieve itching and swelling. Use before the body releases histamines for best results.

*From Sedgwick County Line - August 1995*

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## Finding New Ways To Pay

The overhaul of the federal government's two largest entitlement programs—Medicare and Medicaid—and drastic cuts being proposed in growth and expenditures for both—are where federal health agencies and Congress will square off this year. To pay for tax cuts this year and to produce a balanced budget by 2002, congressional Republicans are calling for reductions in growth of both Medicare and Medicaid by about \$400 billion over the next seven years.

By 2005, Medicare could represent nearly 20 percent of all federal spending, according to calculations by the Congressional Budget Office and the U.S. Department of Health and Human Services (HHS). Medicare's hospital trust fund is expected to go bankrupt by the year 2001 because outlays will exceed revenues from the Medicare payroll tax. In December, the President's Commission on Entitlement and Tax Reform, headed by Sen. Bob Kerry (D-Neb.) and former Sen. John Danforth (R-Mo.), recommended tough measures for controlling Medicare's runaway costs, including higher premiums, copayments, and deductibles, and raising the Medicare eligibility age—but could not agree on any recommendations. In early January, House Speaker Newt Gingrich (R-Ga.) called for replacing Medicare with a new plan to give recipients greater choice at lower costs. He offered no details, however.

House Ways and Means Committee Chairman Bill Archer (R-Texas) says Medicare will be taken up after Congress completes work on the Contract With America this spring. The Ways and Means subcommittee on health has begun holding hearings to examine ways to restructure Medicare financing

and to reduce projected growth in its costs. Some issues under study include means testing (making beneficiaries eligible for benefits based on their income) and shifting more enrollees into managed care health plans. Sen. Bob Packwood (R-Ore.), chairman of the Senate Finance committee, which has jurisdiction over Medicare, has said any proposal to change Medicare likely will be included with a budget reconciliation bill in September.

Another development worth watching this year is an HHS report to Congress advocating the use of a Medicare prospective payment system for hospital outpatient care called ambulatory patient groups, or APGs. In the report, scheduled for delivery to Congress in early spring, HHS Secretary Donna Shalala will recommend that Medicare begin phasing in APGs for payment of hospital outpatient surgical, diagnostic, and radiological services.

Over the past several years, HHS, at Congress' request, has evaluated alternative payment systems for Medicare outpatient services and concluded that APGs would be the best approach for this undertaking. APGs are the outpatient equivalent of diagnosis-related groups, the Medicare payment system for inpatient services. Congress needs to approve any changes in Medicare's outpatient system before HHS can begin putting APGs in place. Although Medicare APGs would initially cover only hospital outpatient surgical, diagnostic, and radiological services, they could eventually be used for all outpatient services.

—Barbara Starr  
From *Business & Health Magazine*  
"The State of Healthcare in America"  
Produced by a grant from Marion Merrell Dow, Inc.

## Too Many Specialists

For non-primary care specialists, the job market is shrinking. The once highly valued specialist is becoming increasingly aware that having a medical license no longer guarantees employment and high income. Many group practices are no longer taking on new specialists. "They are finding out they can do much more with less," says Brent Miller, a lobbyist for the American Group Practice Association, Alexandria, Va.

In many parts of the United States, internal medicine specialists are having trouble finding jobs. In some New York hospitals, graduating anesthesiologists, who had been able to claim an average starting salary of \$120,000, are competing with lower-paid certified registered nurse anesthetists for slots and are willing to accept salary cuts to get hired. "Anesthesiologists in the past have been able to write their own ticket almost anywhere," says Peter Kane, M.D., an anesthesiology professor at the State University of New York at Syracuse. Kane says he now tells students to "lower their sights—the era of waling into a practice and getting a very large salary is over."

In San Diego, where there are five specialists for every

primary care doctor, specialists are leaving the city because they can't find jobs, says Frederick Spong, M.D., a health management consultant for Millimar & Robertson Inc., actuaries and benefits consultants in San Diego. Spong advises Mercy Physicians Medical Group, in San Diego, which has a retraining program for internal medicine specialists. Although interest is low now, Spong says it will grow as specialists find their supply exceeds market demand.

Retraining specialists is gaining favor as a way to boost generalist numbers while keeping practicing doctors employable. Sarena Seifer, M.D., a health policy fellow at the University of California's Center for Health Professions, San Francisco, estimates that 10 retraining programs exist nationwide and another five are under development. As a means of dealing with the specialist oversupply, she admits it "may be a pretty small piece of the whole solution," but it is an attractive alternative for specialists who have had some exposure to primary care.

—Janet Firshein

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## ***Database information update***

If your database information has changed, please complete this form and send it to Jan Steinhoff.

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Send to:  
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