

The Endocrine Society
Guiding Principles for Health Reform
April, 2009

President Obama and Congress have expressed their intent to see comprehensive health reform enacted over the next year. The Endocrine Society supports the goal to significantly alter the scope of the health care system in order to provide timely, efficient, and comprehensive care for all Americans, and to establish an appropriate system to recruit, retain, and reimburse health care workers.

The Endocrine Society represents over 14,000 members of the endocrinology community who treat patients and conduct research on a variety of common medical conditions including diabetes, osteoporosis, thyroid disease, obesity, hypertension, hyperlipidemia and others. The work of the Society's physicians and scientists is integral to the health of the nation, as their work encompasses many of the most costly and debilitating chronic conditions. We believe that the health care system cannot be reformed in a way that encompasses the needs of all Americans unless it is streamlined to allow a greater percentage of health care dollars to be used to provide patient care. As such, The Endocrine Society strongly urges that the following issues be addressed in any major health reform proposal:

Improve patient access to care and services

Recommendation: Pursue access to comprehensive and affordable health coverage for all Americans

An important component to health reform will be to find new ways to increase patient access to health care coverage and the necessary care and services those patients require. With over 46 million Americans uninsured, Congress could choose myriad ways to increase coverage and care. It is widely agreed that over the long term, increasing access to continuous and comprehensive care can save money. One idea under discussion has been to develop a public health plan option in which all uninsured Americans can participate, regardless of health status, age, etc. If such a program is developed, The Endocrine Society strongly urges there be substantial input from the provider community, as the details of the mechanisms and processes for patient care under such a system will be vital to its success.

The Value of Preventive Care

Recommendation: Preventive care should be an integral part of health reform, as it will help to reduce long term costs and the prevalence or severity of many chronic diseases.

It is important that Congress and the Administration recognize that specialty care is a cost effective source of patient care. Primary care is vital to the health of our nation. Nonetheless, subspecialists such as endocrinologists are generally able to diagnose and treat conditions in their area of expertise in a very cost efficient manner. Providing ongoing, continuous care to every American and determining when patients should be referred to subspecialists will be an important component to reducing costs. Preventive care may serve to either obviate risk of disease or lead to earlier diagnosis and treatment and thereby decrease the prevalence of many diseases. As such, preventive care should be an important part of any health reform proposal.

As an example of the importance of preventive care, the Welcome to Medicare screening program provides coverage for dual energy x-ray absorptiometry (DXA) bone density scans for women. These tests help to identify older adults with osteoporosis, a condition that causes no symptoms until a fracture occurs. Fractures are associated with need for hospitalization, greatly increased morbidity and mortality, and burgeoning costs. Unfortunately, only 13 percent of eligible female Medicare beneficiaries receive this benefit each year, the cost of which in 2000 totaled over \$19 billion. A 2008 Kaiser study showed that increasing DXA testing and treatment of decreased bone density during a 5-year period resulted in a 37 percent reduction in the hip fracture rate, at a \$30.8 million savings in a single year in their eligible patient population. Clearly, preventive care is beneficial and saves money. Increasing routine preventive care across the board for all Americans will add value to any health reform proposal and save billions of dollars.

Medicare Payment Reform

Recommendation: Replace the current physician payment formula.

The current Medicare payment formula, which uses physician fee schedules that are often copied by private insurers, is widely felt to result in unfair and impractical reimbursement rates. In particular, the methods used to assure the achievement of the designated expenditure targets set by this formula (the Sustainable Growth Rate, or SGR) often serve to disadvantage provider groups such as endocrinologists, whose practice involves mainly the relatively slowly growing evaluation and management services and not the more rapidly growing areas of procedures and imaging that have contributed to rapidly rising healthcare costs. The only way to re-align physician payment with the care that physicians provide is to eliminate the SGR and create a new payment system. Regardless of whether Congress determines that the best way to move forward with health reform is to create a public health plan option, The Endocrine Society believes that physician payment must be significantly re-evaluated. Payment levels under the Medicare program are already low, and many providers are overtaxed and cannot keep up with needed improvements to infrastructure, staff, and delivery of care with the reimbursement system currently in place. This in turn could negatively impact the ability of providers to survive in the care delivery system, leading to reduced patient access to providers if those providers continue to drop out of the program. Regardless of any public health plan option, any new physician reimbursement system must acknowledge the enormous value of cognitive, non-procedural services and must afford these providers a fair income for the valuable work they provide.

Workforce issues

Recommendation: Provide additional funding for graduate medical education, including incentives for rural and underserved areas.

Recommendation: Payment for cognitive services should be re-evaluated to accommodate the increased use of subspecialty and primary care in a system that supports preventive care services.

There is currently a severe endocrinologist and primary care physician shortage in this country. No reform proposal can effectively improve the health care system without addressing the real and growing deficit of primary care physicians and subspecialists in short supply such as endocrinologists. Without an adequate supply of physicians, providing health coverage for all Americans will have little impact as these patients will be unable to identify a physician with the capacity to care for them. As the recent experience with healthcare reform in Massachusetts

suggests, expanding healthcare coverage can be stymied by a lack of available physicians to care for the increased numbers of patients. Providing additional funding for graduate medical education and other programs to assist individuals with the costs associated with medical school and medical training could alleviate some of this burden. Incentives to undertake training in these critically short specialties and to practice in rural and underserved areas must be incorporated into any proposal to address the physician shortage.

In addition, in order to successfully increase the number of physicians, increases must be made to Medicare reimbursement for cognitive specialties such as endocrinology, primary care, and other subspecialties. Primary care physicians provide critically important and cost-effective medical care, and any healthcare reform proposal must encompass attempts to increase their participation in health care. However, non-procedural specialists such as endocrinologists also provide cost-effective and high quality care. Endocrinologists, in particular, care for patients with many of the most serious and costly chronic conditions, such as diabetes, osteoporosis, obesity, high blood pressure and hyperlipidemia, among others. Healthcare reform proposals must ensure that both primary care physicians and specialists can play active roles.

Diabetes: prevention of complications

Recommendation: Reducing costs and complications associated with the care and treatment of people with diabetes should be considered in the course of health care reform.

Health reform cannot be successful without a full understanding of the needs and costs associated with the care and treatment of patients with diabetes. Diabetes is a full-blown epidemic in the United States, and ensuring that patients are consistently managed and treated for the condition in a way that provides access to affordable and adequate diabetes supplies and medications, as well as reduces hospital stays and prevents microvascular and macrovascular complications of the disease will save substantial money and improve patient health over the long term. Patients should have access to the provider(s) of their choice, whether endocrinologist or primary care physician. Because diabetes can affect multiple organ systems, quality care may require consultation with and/or care by subspecialists. Plans should be in place for appropriate use of referrals from primary care to subspecialists such as endocrinologists, ophthalmologists, nephrologists, and other physicians. Without finding a way to successfully manage the disease, health reform and projected cost savings cannot be fully realized.

Obesity: prevention of co-morbidity

Recommendation: Fund research into obesity prevention and treatment, and ensure access to physical activity and nutritious food and drink.

The cost of treatment for obesity and its related co-morbidities continues to rise. Coverage for weight management services, including bariatric surgery, is limited at best. The Endocrine Society supports efforts to increase funding for research into new prevention strategies and treatment options, ensure communities have adequate and safe opportunities for physical activity, and access to nutritious food and drink. Preventive treatment for obesity will also help to stem the prevalence and costs associated with co-morbidities associated with obesity, including diabetes, heart disease, high blood pressure, hyperlipidemia, some types of asthma and cancer.

Patient Safety/Health IT

Recommendation: Implementation of penalties for lack of Health IT implementation should be rescinded until there is true interoperability.

The Obama administration, with support from Congress, has already put in place plans to reward providers for implementing Health IT provisions in their offices. While The Endocrine Society applauds the use of health IT for increasing patient safety and streamlining business practices, reimbursements, and increasing communication between providers, patients, pharmacies, etc., we do believe that there are advances to health IT that need to be made before it is appropriately operational. Rewarding, and alternatively, punishing physicians for their use (or lack thereof) of Health IT may not be appropriate until interoperability of the multiple systems extant is successful among providers, laboratories, pharmacies, and others. Assisting health care providers in obtaining and appropriately utilizing health IT should be a major goal of the administration before rewards and penalties are implemented.