President Obama signs bill allowing veterans to access non-VA providers

President Obama signed the Veterans Access, Choice, and Accountability Act of 2014 (H.R. 3230) into law on Aug. 7. The law requires that hospital care and medical services be furnished to veterans through contracts with Medicare providers outside the VA system for veterans who have been unable to schedule appointments or who face unreasonable wait times at Veterans facilities.

The law also directs the Secretary of Veterans Affairs to work with the Secretary of Health and Human Services (HHS) to develop, update, and make publicly available a comprehensive database containing all applicable patient safety, quality of care, and outcome measures for VA healthcare tracked by the VA Secretary.

Congress recesses until after elections; SGR repeal hangs in the balance

After returning from the August congressional recess for two weeks, the House and Senate recessed again until after the mid-term elections, setting up a showdown over the Medicare physician fee schedule during what is expected to be a short lame-duck session after the elections or early in 2015.

For more than a decade, Congress has relieved the cuts called for by the sustainable growth rate (SGR)—the element of the Medicare physician payment formula that would otherwise have resulted in significant cuts in these payments. In each case, Congress has implemented a fix to avoid the drastic effects of applying the SGR formula to the fee schedule. The current “patch” for the SGR expires on April 1, 2015.

Leaders of the five largest medical societies—American Osteopathic Association (AOA), American Medical Association, American College of Surgeons, American Medical Directors Association, and American Society for Dermatologic Surgery—continue to urge Congress to act on legislation that would remove the SGR from the Medicare formula and replace it with a sustainable method of reimbursement.

Valerie L. Sheridan, D.O., inaugurated as ACOS president during 2014 Annual Clinical Assembly

See pages 4 and 5 for excerpts from the outgoing and incoming presidential addresses presented at the 2014 ACA in Boston.
WASHINGTON WATCH
Updates on legislative and regulatory issues

From Washington Watch, page 1

Academy of Family Physicians (AAFP), and the American College of Physicians (internists)—banded together to meet with congressional leaders the last week before Congress recessed to advocate for SGR repeal during the lame-duck session.

2014 presents the most plausible timeframe for repealing the SGR given that the committees responsible for the Medicare physician fee schedule are in bipartisan, bicameral agreement on the means for doing so. However, SGR repeal remains a daunting proposition for members of Congress, mainly because of its cost. While agreement on the substance has been reached, there is significant disagreement among Republicans and Democrats about how to pay for the repeal. With the Senate majority in question, decisions about the fate of the SGR are on hold until after the elections.

Physician groups respond to IOM GME report; primary vs. specialty issues arise

Following the July 2014 release of a report from the Institute of Medicine (IOM) recommending sweeping changes to government financing of graduate medical education (GME), several medical societies weighed in with their vision of GME reform. Some members of Congress also quickly weighed in on the issue, introducing legislation.

The AAFP held a briefing on Capitol Hill on Sept. 15 to release its recommendations for the future of GME. The AAFP calls for “limit[ing] payments for direct graduate medical education and indirect medical education (IME) to training for first-certificate residency programs,” setting up what is likely to be a pitched battle between primary and specialty medicine for scarce federal dollars. The Association of American Medical Colleges perhaps has been most vocal in its rebuke of the IOM report, saying that the “proposal’s major cuts to patient care will slash funding for vital care and services available almost exclusively at teaching hospitals.”

NEED TO KNOW:
The AAFP is calling for “limit[ing] payments for direct GME and indirect medical education to training for first-certificate residency programs,” setting up what is likely to be a pitched battle between primary and specialty medicine for scarce federal dollars.

The Centers for Medicare and Medicaid Services (CMS) and the Office of the National Coordinator for Health Information Technology (ONC) have issued a final rule on meaningful use that closely follows what the agencies included in their May 20, 2014, proposed rule. The final rule gives providers some flexibility to meet the meaningful-use timeline for 2014 by allowing the use of 2011 edition certified electronic health record technology (CEHRT), 2014 edition CEHRT, or a combination of 2011 edition and 2014 edition CEHRT for the 2014 reporting year. Under the old rules, all physicians attesting to meaningful use in 2014 were required to use a 2014 edition CEHRT regardless of the stage of meaningful use to which they were attesting.

NEED TO KNOW:
The final rule on meaningful use of EHR delays the deadline for implementation of Stage 3 requirements for the first cohort of adopters until Jan. 1, 2017.

The final rule also delays the Jan. 1, 2016, deadline for implementation of Stage 3 meaningful-use requirements for the first cohort of adopters until Jan. 1, 2017. The delay is intended to give the CMS and ONC the opportunity to analyze the data obtained during Stage 2 before setting Stage 3 requirements. Finally, the agencies have modified clinical quality measure reporting requirements to conform to the new CEHRT flexibility provisions. Many providers, and late EHR adopters, should benefit from the extension of the original stringent deadlines set by the CMS.

See Washington Watch, page 7
The ACOS is pleased to announce that the following members will serve as officers of the College and its disciplines for 2014–2015.

ACOS Executive Officers

- Valerie L. Sheridan, D.O., FACOS—President
- Dawn R. Tartaglione, D.O., FACOS—President-elect
- Richard D. Kimmel, D.O., FACOS—Past President
- Scott A. Blickensderfer, D.O., FACOS—Secretary-Treasurer

ACOS Board of Governors

- Michael A. Campanelli, D.O., FACOS
- Bruce T. M. Chau, D.O., FACOS
- Frederick J. Dressen, D.O., FACOS
- Edward A. Haass, D.O., FACOS
- Sean J. Henderson, D.O.
- William R. Henwood, D.O., FACOS

Neurological Surgery Discipline Officers

- Michael A. Campanelli, D.O., FACOS—Chair
- Brett Alan Schlitka, D.O., FACOS—Chair-elect
- Larry G. Armstrong, D.O., FACOS—Past Chair
- Francesco T. Mangano, D.O., FACOS—Secretary-Treasurer

Plastic and Reconstructive Surgery Discipline Officers

- Edward Aron Haass, D.O., FACOS—Chair
- James Scott McAdoo, D.O., FACOS—Chair-elect
- John A. Kotis, D.O., FACOS—Past Chair
- James Scott McAdoo, D.O., FACOS—Secretary-Treasurer

Urological Discipline Officers

- Stephen J. Yanoshak, D.O., FACOS—Chair
- Gregory V. McIntosh, D.O., FACOS—Chair-elect
- Dawn M. Bodell, D.O., FACOS—Past Chair
- W. Britt Zimmerman, D.O., FACOS—Secretary
- Justin D. Harmon, D.O., FACOS—Treasurer
“Over the past year and a half, we have seen significant change not only in our own organization but throughout our profession,” said incoming ACOS President Valerie L. Sheridan, D.O., FACOS, in her inaugural address during the 2014 Annual Clinical Assembly in Boston.

Success of the College and its champions

Working closely with our new executive director and CEO, “we have given time, effort, and energy into the organization to create more value for you, our stakeholders, and we have built strong relationships with other specialty colleges and the American Osteopathic Association,” said Dr. Sheridan. “We have continued communication efforts in working together with the American College of Surgeons, with very positive results. We have not only witnessed but played an active role supporting the decision to proceed with the new single accreditation system [for graduate medical education]. And following the footsteps of a wonderful leading lady, Dr. Alison Clarey, we have the second female president of our College since its beginning in 1926.

“Our success is due to the champions of our College,” she continued. “As we anticipated and encountered more [challenges], our members have risen to the occasion. Our College is stronger and more effective at navigating the white waters of change that are ahead of us.

“The Board of Governors is your chosen body and committed to YOU. We have chosen to create every effort to bring more value to this organization through education and collegial relationships,” said Dr. Sheridan. “In the past year, the AOA and the other specialty colleges have looked to us, the ACOS, for direction and support regarding some of their organizational issues. Dr. Richard Kimmel has done an outstanding job keeping the lines of communication open and developing more relationships within like organizations. Not only are we being included, but our advice and opinions are respected. Over our next year together, we will continue to move forward with the AOA getting our ACOS members placed on the Accreditation Council for Graduate Medical Education (ACGME) Board and committees to ensure that our voice is heard when decisions are made.

“These actions will display to the world that D.O.s are truly equal and recognized by all,” she said. “And with standards the same, opportunities will be the same and our students and residents will have the choice to become the physician/surgeon their passions desire. The ACOS wants to combine intellectual challenge with a culture of engagement that prepares members for a lifetime of passionate service, leadership, and success.”

The challenges ahead

“There are significant challenges ahead of us over this next year and the years ahead,” said Dr. Sheridan. “There are continuing assaults from insurers; continuing threats of decreasing reimbursement; never ending increases to malpractice fees; and efficiency, quality, and value benchmarks that we are forced to meet. And the list of congressional issues is longer than my grocery list!

“Collaboration and communication will be critical,” she continued. “Working collaboratively with common goals should have no better application presently than with the AOA, other specialty colleges and groups, and with the ACGME. Going back to your communities, you have the ability to create conditions and environments that lead to positive outcomes and environments that foster leadership, communication, and the ability to work together.

“Dr. Kimmel and other leaders before him have requested your involvement. You have indeed responded,” she said. “Members have joined committees and volunteered their efforts to work diligently to prepare for the coming challenges. Thank you! Under the guidance of our excellent staff and CEO, we will continue to achieve our strategic goals for the well being of the ACOS and its membership.”

Creating change for the future

“Our purpose and vision for the future must be clear, and our actions must be consistent,” Dr. Sheridan advised. “John F. Kennedy once said, ‘One person can make a difference and everyone should try.’ It is time to make that choice…to take that chance…and create changes for the betterment of our students, residents, and members for the future.

“We chose this profession of stewardship, the life of caring for others,” she continued. “We are a college of surgeons. We are leaders in our field and our communities. We are individuals each taking steps forward to do our best to care for our patients with the utmost quality of care. It has been our choice—to take this chance—to continue creating the very best changes for our profession.

“As stated by our past leaders, change is inevitable and the ACOS will greet it as an opportunity to further achieve the highest standards for surgical care,” she concluded. “From our humble beginnings in 1926, the ACOS has met challenge after challenge head on, guided by the foresight, strength, and vision of its leaders and the unwavering support of its members.”

President Sheridan encourages members to embrace change
"When I became your president, I asked for your help by getting involved," said ACOS President Richard D. Kimmel, D.O., FACOS, in his presidential address on Sept. 19 at the 2014 Ceremonial Conclave in Boston.

"In turn, I listened to your concerns to improve the transparency of the College, to increase communications with our membership, and to advocate for our members. As a result, the membership of the ACOS is at an all-time high, our financial condition is extremely strong, and I cannot remember a time when we have been held in as high a regard by others," he said.

The College’s new culture

Dr. Kimmel addressed the new members and new Fellows joining the College’s ranks. “The ACOS is a very different organization today than it was when I became a member. There is certainly a new ‘culture’ to the College, and this is a change for the better,” he said. “The significance is that you are stepping up to an organization that is more receptive and responsive to its membership; an organization that is not afraid to question everything and to make sure that we account for what is best for the members, not just what the leadership assumes is best; and an organization that is more nimble and flexible in response to its members’ needs.

“We also recognize that it is you, the new members, the residents and fellows, the students, who are the future of the organization,” he continued. “You make up the fastest growing demographic of the College, and we need to hear your voice. President John F. Kennedy once said in reference to the younger generation in the 1960s and their need to get involved politically: ‘You have the fewest ties to the past and the greatest stake in the future.’ That is as true today as it was back then. We need you to get involved in the College and add your voice. This is your organization, and it works best when each of you participate. You must determine your future. No one else can do it for you. You are responsible and you must act accordingly.

“Collaboration is also a key component of the way the ACOS now operates,” said Dr. Kimmel. “As surgeons, we have often been trained to be the ‘captain of the ship.’ In the operating room, we ARE the bottom line. But the generation of surgeons coming out now has been exposed to a different perspective. They understand that there is value in teamwork, in collaboration. Well, it took us a long time to get there, but the College now embraces that concept. Your ACOS collaborates on many levels with both like-minded organizations as well as those that we don’t always agree with. While in the past we tried to do things on our own, or avoided joining other groups altogether, we now actively work collaboratively with others to reach agreement for the good of all.”

Added value for the membership

Dr. Kimmel also talked about the value the ACOS has added for its members in the past year. “In our evaluation of the joint unified accreditation system, more commonly known to all of us as the Accreditation Council for Graduate Medical Education (ACGME) merger, we felt that this would benefit our membership overall despite the uncertainty of future issues,” he said.

“The College leadership saw the ACGME merger as an opportunity for all of its students and residents to have access to any type of specialty or sub-specialty training that they want to pursue,” he explained. “We also recognized that with our primarily community-based and OPTI-based programs, we bring a unique perspective to surgical education—an added value for the house of surgery. With that in mind, we continuously offered our support to the American Osteopathic Association leadership and formed new bonds with other specialty organizations. We found our voice, and others began to listen. And by adding our voice to the discussions, we also gained influence.

“So, yes, as an organization we have been successful this year. But we also have added value to the osteopathic family, and that adds significance to the ACOS,” he reflected.

Member involvement for the future

“Going forward, I am confident that our incoming president, our Board of Governors, and our tireless CEO and very hard working staff will continue to add both value and significance to the ACOS,” said Dr. Kimmel.

“We still have a lot of work ahead of us, and we will continue to need our members to get involved,” he concluded. “This is your organization and the more you put into it, the more you will get out of it. I urge each and every one of you to GET INVOLVED!”
The seminar opened with comments by Gregory Heath Smith, D.O., FACOS, who is ACOS Residency Evaluation and Standards Committee (RESC) chair and an American Osteopathic Association (AOA) appointed representative to the Joint Educational Committee established to facilitate the creation of the new unified ACGME accreditation process. Dr. Smith reported on the activities of the Joint Educational Committee, which is composed of three AOA representatives and three ACGME representatives. He said that much remains to be “fleshed out,” and that details about the unified accreditation process will be shared with members as they become available. He noted that the release of information might be slow to ensure that all disseminated information is accurate.

Catherine Eckart, MBA, and Frederick M. Schiavone, M.D., FACEP, conducted this year’s seminar titled “Together, Let Us Begin.” Ms. Eckart is Associate Designated Institutional Official (DIO) and Executive Director of Graduate Medical Education at Stony Brook Medicine in Stony Brook, N.Y., and Dr. Schiavone is DIO and Vice Dean for Medical Education at Stony Brook University Medical Center. Both have extensive experience in the ACGME process.

The seminar provided an overview of ACGME accreditation (past, present, and future), the structure of the ACGME, and the ACGME move to competency based indicators of resident progress via the “Milestones” and the Next (new) Accreditation System (NAS). Ms. Eckart and Dr. Schiavone discussed the Clinical Learning Environment Review (CLER), an integral part of the NAS. Each ACGME program should expect a CLER site visit approximately every 18 months unless the information provided by the program in its annual report via the WebADS reporting process triggers the need for an earlier visit. Rigorous resident and faculty surveys also are an integral part of NAS, and a full site visit will be conducted every 10 years. Continuous reporting by ACGME accredited programs is rigorous, and quality indicators (much like those identified by the ACOS RESC) are closely monitored for continuous compliance.

Accredited AOA postgraduate training programs will be able to apply for ACGME accreditation beginning July 1, 2015. Sponsoring institutions will be able to apply for ACGME approval in mid April 2015. DIOs from sponsoring institutions will provide programs with the ACGME accreditation application. When the ACGME receives a program’s application, the program is awarded “pre-accreditation” status. The pre-accreditation status remains in effect until: 1) The program attains full ACGME accreditation; 2) The program withdraws its application; or 3) June 30, 2020. The AOA will not accredit GME programs after June 30, 2020.

The training materials from the Surgical Educators Seminar are available on the 2014 ACA app, and a video with attendant visuals will be posted on the ACOS website at www.facos.org/education as soon as practical.

Resident annual reports and completion letters

“Program-complete” letters have been sent to individuals being awarded “program-complete” status. The American Osteopathic Board of Surgery (AOBS) previously had been notified of all residents achieving program-complete status. Annual report status letters for all other residents will be sent to residents, program directors, and DMEs in the near future.

2014–2015 Residents Section Governing Council

The Residents Section held its annual business meeting on Sept. 18 in Boston in conjunction with the 2014 ACA. More than 45 residents and fellows attended. Michael I. Hanzly, D.O., a urology resident at Albert Einstein Medical Center in Philadelphia, Pa., chaired the meeting. Representatives of the RESC, AOBS, and ACOS provided information about the creation of the unified ACGME accrediting system and expectations regarding changes in the certification process.

Elections for the 2014–2015 Residents Section Governing Council also were held. Sean J. Henderson, D.O., OGME-5 (URO) at Albert Einstein Medical Center, was elected chair-elect. Nicholas J. Madden, D.O., OGME-3 (GS) at Philadelphia College of Osteopathic Medicine in Philadelphia, Pa., was elected secretary-treasurer. Omid R. Hariri, D.O., OGME-4 (NS) at Arrowhead Regional Medical Center in Colton, Calif., was elected member-at-large. Matthew Schultzel, D.O., OGME-5 (GS) at Palisades Medical Center in North Bergen, N.J., was elected chair-elect at the 2013 ACA and now serves as chair and as resident representative to the ACOS Board of Governors. Lee Sanquist, D.O., OGME-6 (NS) at St. John Providence Health System in Detroit, Mich., was appointed the section’s other member-at-large and is resident representative to the RESC. (Because of prior commitments that conflict with ACOS Board of Governors meetings, current Residents Section Chair Matthew Schultzel, D.O., will be unable to represent College residents on the ACOS Board; Sean J. Henderson, D.O., will serve in Dr. Schultzel’s place as resident representative on the ACOS Board for 2014–2015).

2015 General Surgery In-Service Examination

Registration forms and fees for the 2015 General Surgery In-Service Exam are due to the ACOS by Nov. 7, 2014. The exam will be administered on Saturday, Jan. 10, to all residents in AOA/ACOS accredited general surgery training programs. Those needing additional information should contact Susan Rall at 703-684-0416, ext. 110, or by e-mail at srall@facos.org.

The American Board of Surgery (ABS) has invited general surgery osteopathic training programs to take the ABS In-Training Examination (ABSITE). Programs choosing to participate in the ABSITE do so on a voluntary basis; AOA/ACOS general surgery programs must take the ACOS General Surgery In-Service Examination.
Updates on legislative and regulatory issues affecting physicians

- **RAC contracting turmoil:** New contracts on hold; CMS authorizes restart of automated audits

  New Recovery Audit Program (RAC) contracts designed to fix certain problems in the RAC audit program will be on hold while a federal district court considers an appeal filed by one of the RAC contractors—CGI, Inc.

- **NEED TO KNOW:** An appeal filed by a RAC contractor could delay the new RAC contracts for up to a year.

  The CMS had temporarily suspended RAC audits in June of this year to allow for transitioning to the anticipated new contracts. However, the court order prevents CMS from moving forward with new contracts until the appeal has been decided. As a result, CMS will restart automated audits under the old contracts until the new RAC contracts can be awarded. CGI’s appeal could delay the new RAC contracts for up to a year.

- **Rural hospitals may get reprieve on physician supervision requirement**

  Both chambers of Congress have passed legislation that would allow small rural hospitals to provide outpatient services without having a physician on site. H.R. 4067 is intended to reverse the CMS’s Jan. 1, 2014, lifting of its enforcement moratorium on the physician supervision rule.

  Under the CMS policy now in effect, small rural hospitals must have a physician on site to directly supervise outpatient services, such as drawing blood or providing activity therapy. The legislation would extend the enforcement moratorium through 2014 and prevent retroactive enforcement while Congress considers a more comprehensive solution.

  The American Hospital Association and the National Rural Health Association support the legislation.

- **NEED TO KNOW:** The ONC fact sheet on the 2014 Edition Release 2 EHR Certification Criteria final rule summarizes new criteria and improvements.

  The final rule also makes a few improvements to the ONC Health Information Technology (HIT) Certification Program and removes outdated regulation text from the Code of Federal Regulations.

  The ONC fact sheet on the rule summarizes the new criteria and improvements.

- **NEED TO KNOW:** Medical community united in opposition to elimination of CME exemption under PPSA

  The CMS has received thousands of letters from physicians and others urging it not to eliminate the reporting exemption for continuing medical education (CME) under the Physician Payments Sunshine Act (PPSA). That exemption allows manufacturers to avoid reporting funds that support CME programs if the programs are accredited by one of five named accrediting organizations.

  The CMS proposed to eliminate the exemption because of complaints that it unfairly excluded funding for CME programs accredited by entities other than the five accrediting organizations named in the regulation. CMS takes the position that the exemption is not needed because another exemption for “indirect” payments is sufficient for programs that do not allow industry sponsors to influence the choice of speakers or content.

  The CME Coalition, whose members include many physician and industry organizations, has recommended that the CMS not axe the exemption but rather expand it to include CME accredited by any organization that meets certain recommended criteria. The coalition asserts that if CMS does not reverse its position, CME providers would lose close to $200 million in CME funding over three years—approximately 10.6 percent of their sponsorship funds.

- **NEED TO KNOW:** Medical community united in opposition to elimination of CME exemption under PPSA

  The American Hospital Association and the National Rural Health Association support the legislation.

  The CMS had temporarily suspended RAC audits in June of this year to allow for transitioning to the anticipated new contracts. However, the court order prevents CMS from moving forward with new contracts until the appeal has been decided. As a result, CMS will restart automated audits under the old contracts until the new RAC contracts can be awarded. CGI’s appeal could delay the new RAC contracts for up to a year.

  The NEeD tO KNOw: According to MedPAC, clinicians who do not know how to improve their value-based modifier score will be unlikely to devote resources to improving quality and increasing efficiency.

  In an Aug. 28, 2014, letter to the CMS, MedPAC stated that clinicians who do not know how to improve their value-based modifier score will be unlikely to devote resources to improving quality and increasing efficiency. MedPAC also noted that some specialties lack clinically meaningful measures and stated that a better approach to improving quality of individual physicians is to encourage them to join groups such as accountable care organizations (ACOs) or Medicare Advantage plans that are financially and clinically accountable for patients.
More updates on legislative and regulatory issues

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New ACO data show mixed results

Performance results for ACOs in the Medicare Shared Savings Program were released recently by the CMS and show mixed results. Approximately one fourth of the 220 participating ACOs earned bonuses; another fourth saved money for the Medicare program but not by enough to share in savings. The remaining ACOs did not generate any savings for the program.

NEED TO KNOW:
The outcome of a PPACA case could affect more than half of the 8 million Americans who have purchased taxpayer-subsidized private insurance under the PPACA.

On the same day of this ruling, a Virginia federal appeals panel unanimously ruled the opposite way on the identical issue. The full D.C. Circuit Court of Appeals comprises 13 judges, eight of which are Democratic appointees. The outcome of the case could affect more than half of the 8 million Americans who have purchased taxpayer-subsidized private insurance under the PPACA.

Savings distributed to ACOs earning bonuses totaled $445 million; savings retained by the Medicare program totaled $372 million. However, the ACO industry states that ACO participation will decline unless the CMS changes the rules and does not require ACOs to be subject to downside risk during the second year of the contract. The industry also urges an increase in the shared savings percentage and criticizes the CMS for the way it attributes beneficiaries to ACOs.

U.S. Court of Appeals for District of Columbia Circuit to rehear PPACA case AMITA

The full District of Columbia (D.C.) Circuit Court of Appeals has agreed to rehear the case of Halbig v. Burwell. In July, a three-judge panel from the D.C. Circuit Court ruled that individuals in the 36 states that sign up for insurance through the federal health insurance exchange as part of the Patient Protection and Affordable Care Act (PPACA) are ineligible for subsidized insurance.

NEED TO KNOW:
The outcome of a PPACA case could affect more than half of the 8 million Americans who have purchased taxpayer-subsidized private insurance under the PPACA.

Authors Rebecca L. Burke, Of Counsel to the law firm POWERS PYLES SUTTER & VERVILLE PC (PPSV); Amita Sanghvi, associate in PPSV’s healthcare practice group; and Margaret E. Tighe, Counsel in PPSV’s public policy and government relations group, serve on the PPSV team retained by the ACOS as government affairs consultants.

Share your professional news in ACOS NEWS

Keep colleagues informed of your latest professional achievements, appointments, awards, etc., through the “Member News” column in ACOS News. If you have professional news that you would like to share with readers of ACOS News, please e-mail the details to ahamrick@facos.org.

REMINDERS

Keep the College up to date with your latest information. If you have made any recent changes in your practice address, home address, phone numbers, or e-mail address, please be sure to notify us at info@facos.org. Thanks for your help in keeping our member database up to date!