

RUTH D. WILLIAMS, MD

Is Medicare Advantage Driving You Crazy?

A few years ago, while walking through a hospital lobby, I noticed 2 friendly ladies with clipboards approaching visitors. Curious, I listened in and discovered that they were part of a marketing program designed to attract seniors to a Medicare Advantage (MA) plan.

Seniors are drawn to MA plans for a variety of reasons, from lower monthly premiums to a bevy of unique benefits, including dental care, drug coverage, and even health club memberships. So, why are ophthalmologists complaining?

Ophthalmology practices are struggling with recent increases in preauthorization requests and postpayment audits from MA plans. As physicians, we are accustomed to traditional Medicare, and we're frustrated by the wrangling that takes place with MA plans. And we can look forward to more of the same: MA is expanding. Last year, 33% of Medicare patients were in MA plans, up from 13% in 2003.¹

Why is the "hassle factor" so much greater with MA plans? These plans contract with the government to provide care to Medicare beneficiaries through typical insurance products (like HMOs and PPOs). However, unlike traditional Medicare—and because they are private—MA plans can use all the typical strategies of private insurance to manage costs, including preauthorization requirements, narrowed provider networks, formulary limitations, and postpayment audits.

The recent proliferation of MA plans, with their differing benefits and limitations, has led to frustration for both patients and ophthalmology staff. Many patients don't understand the constraints of their new MA plan and are upset when they can no longer see their ophthalmologist. Some patients assume that they still have traditional Medicare and are bewildered to discover that a recommended procedure might not be covered or requires preapproval. Addressing these problems takes a substantial amount of staff time.

Another problem involves the increase in postpayment audits. Because MA plans are paid through a risk-adjusted premium, CMS engages vendors to perform Risk Adjustment Data Validation audits to check the reliability of the data. One payer recently announced that it will review medical records for 100% of the company's paid claims.

Meanwhile, the costs of running a practice continue to rise. From 2001-2014, operating expenses for physi-

cian-owned practices increased 60.6%. During the same time period, the Consumer Price Index increased 33.4%.²

While many factors contribute to the costs of running a practice, postpayment audits clearly increase costs to providers and are troublesome for patients who are trying to schedule a treatment.

But there is fresh hope for change. Recently, Academy representatives met with Seema Verma, the head of CMS, and Tom Price, MD, the Secretary of Health & Human Services. Among the issues discussed were the hassles of MA prior authorizations. The Academy is asking Dr. Price and Ms. Verma to standardize the prior authorization form across all payers and to preclude MA plans from denying coverage for services and drugs (including anti-VEGF injections) that are provided by traditional Medicare. Cathy Cohen, Academy Vice President for Governmental Affairs, pointed out that the CMS Medicare Managed Care manual states that MA plans are prohibited from implementing policies that are more restrictive than what is covered under original Medicare.

The growth of MA has increased the complexity of insurance offerings for seniors. Our staff are in the front lines, playing detective to find out what plan a patient has, educating patients about their benefits, getting permission for procedures and drugs, and calming frustrated patients. Ophthalmologists need to recognize that the demands on our insurance, call center, and check-in staff have increased, and their jobs are much more complex than they were even a few years ago. Hopefully, we will get some relief.



Ruth D. Williams, MD
Chief Medical Editor, EyeNet

1 www.kff.org/medicare/issue-brief/medicare-advantage-2017-spotlight-enrollment-market-update. Accessed July 14, 2017.

2 <http://healthaffairs.org/blog/2017/01/27/medicare-physician-payment-why-its-still-a-problem-and-what-to-do-now/>. Accessed July 14, 2017.