

OCTOBER 6, 2009

## **The War on Specialists**

ObamaCare punishes cardiology and oncology to finance GPs.

In President Obama's Washington, medical specialists are slightly more popular than the H1N1 virus. Compared to bread-and-butter primary care doctors, specialists cost more to train and make more use of expensive procedures and technology—and therefore cost the government more money. Even so, the quiet war Democrats are waging on specialists is astonishing.

From Senate Finance Chairman Max Baucus's health-care bill to changes the Administration is pushing in Medicare, Democrats are systematically attacking specific medical fields like cardiology and oncology. With almost no scrutiny, they're trying to engineer a "cheaper" system so that government can afford to buy health care for all—even if the price is fewer and less innovative ways of extending and improving lives.

Take a provision in the Baucus bill that would punish any physician whose "resource use" is considered too high. Beginning in 2015, Medicare would rank doctors against their peers based on how much they cost the program—and then automatically cut all payments by 5% to anyone who falls into the 90th percentile or above. In practice, this rule will only apply to specialists.

Since there will always be a missing chair when the music stops, every year one of 10 physicians will be punished if he orders too many tests, performs too many procedures or prescribes too many drugs—whether or not the treatments result in better patient outcomes. The 5% fine is substantial given that Medicare's price controls already pay only 83 cents on the private dollar.

In Medicare, meanwhile, the Administration is using regulation to change how doctors are paid to benefit general practitioners, internists and family physicians. In next year's fee schedule, they'll see higher payments on the order of 6% to 8%. The loose consensus is that the U.S. does have too few primary care doctors—less than 5% of medical students are entering the field—in part because they're underpaid.

Fair enough. But this boost for GPs comes at the expense of certain specialties. The 2010 rules, which will be finalized next month, visit an 11% overall cut on cardiology and 19% on radiation oncology. They're targets only because of cost: Two-thirds of morbidity or mortality among Medicare patients owes to cancer or heart disease.

The way Medicare works is that Congress decides each year how much it wants to spend on doctors, period. If one area of medicine receives a larger slice of this pie, another must accept a smaller one. The portion sizes are determined using a formula known as Relative Value Units, or RVUs. Medicare assigns an RVU to each of 7,500 billable services—in 2008, a colonoscopy earned 5.64 of these units, a hip replacement 37.66. Then it multiplies a doctor's total RVUs by some dollar factor, currently about \$36, and cuts a check.

The chunks Team Obama took out of cardiology RVUs are especially drastic. The basic tools of heart specialists—echocardiograms (stress tests) and catheterizations—are slashed by 42% and 24%, respectively. Jack Lewin, who heads the American College of Cardiology, said in an interview that the crackdown will cause "a horrible disruption" that will force many community and independent practices to close their doors, lay off staff or make senior patients wait days or weeks for tests and services.

Cancer doctors get hit because the Administration believes specialists order too many MRIs and CT scans. Certain kinds of diagnostic imaging lose 24% under new assumptions that machines are in use 90% of the time, up from 50%. There isn't a radiologist in America running an MRI 10.8 hours out of 12, unless he's lining up patients on a conveyor belt. But claiming scanners are used far more often than they really are lets the Administration "score" spending cuts.

And this change is applied to all expensive equipment, not just MRIs and CTs, so payments for antitumor radiation therapy will fall by up to 44%. The American Society for Radiation Oncology says it "will have a devastating effect on cancer patients' access to care."

One priority of the Baucus bill is to require the executive branch to wreak this kind of devastation every year, not just when a Democrat is President. It directs the Secretary of Health and Human Services to search out "potentially misvalued" RVUs, meaning those "for which there has been the fastest growth" or "that have experienced substantial changes in practice expenses." In other words, any specialty that grows too much must be targeted.

It's important to understand that these are "cuts" that don't actually cut any spending; the RVUs merely redistribute it from one medical bucket to another. In this case, Team Obama is sending a message to the medical community about its political priorities. The fee schedule is designed to avoid wild year-over-year payment swings, but HHS justified its decision with a flimsy survey whose data it won't release and whose results can't be replicated. Dr. Lewin told us that both HHS Secretary Kathleen Sebelius and budget director Peter Orszag refuse to meet with him to discuss the topic.

We have nothing against primary care physicians, and clearly the country could use more of them. But then, it could probably use a lot more doctors, including specialists, as the boomers age and the prevalence of obesity, diabetes and other chronic diseases rises. The increase in specialists has tracked advances over 50 years in medical science and technology. Democrats look at these advancements and see only the costs, not the benefits.

Markets are supposed to determine the composition of the workforce, not a command medical economy run out of Washington. It is perfectly insane to support one type of doctor by punishing others on a flawed theory about cost-control. The press passes all this off as routine when it bothers to notice, but we suspect our media colleagues would show more interest if Messrs. Obama and Baucus were deciding how much journalists should be paid and what they should cover.

If Democrats are going to stomp on specialists, they should at least be open about it. Then again, all Americans might take a different view of health-care "reform" if they understood that it means snuffing out the best medicine.

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