

The Florida Society

NEWS of Thoracic & Cardiovascular Surgeons

Volume No. 26

Fall 2002



President's Message

Kevin D. Accola, M.D.

We continue to face extreme challenges from all fronts. An aging and more labor intensive population that we are asked to operate on, unknown volume changes due to new stent technologies, and an ever more complex and expensive environment from a business perspective in which we practice. There are also the uncertainties of our junior colleagues as their "careers" in cardiovascular and thoracic surgery, as well as our senior members' uncertainty with current market trends and "how to" and "when to" retire. On the Washington political front, we are potentially faced again with a 5% cut in Medicare reimbursement this coming year. At what point will the pendulum stop and begin to swing back? There has never been a time in our state's society that we need to be more organized and united than now, as well as align ourselves with other specialties. We simply cannot keep our heads down and continue digging, as the hole will only get deeper.

We do not yet have 100% of dues to be paid for this year by our members and we have approximately 30% participation in our patient care account. This provides the society a mechanism to be engaged and involved politically. We must all contribute to the cause, as the "gains" on this small investment to the society can be tremendous as well as preserve our specialty.

Members have expressed to the society leadership dismay at the lack of "results obtained" relative to our contributed resources and efforts in the political process. What we have learned, is this is a "process" which we have only recently initiated in any collective effort. This initiative began approximately four years ago. To put this in a "political perspective", this is not even the length of a U.S. Senators term. Therefore, our efforts are just now beginning to have any political impact in Washington. We do not yet have a collaborative effort of our membership; both at a national or state level as there are too many "non-participating" members. What we have accomplished

is congressional and legislative members are now calling us and asking our opinions, advice and recommendations on issues before them. We have doors and phone lines open to us now, which before remained closed. To put the political "timetable" in perspective, current Medicare reimbursement cuts were initiated in 1992 and mandated to begin in 1994. Therefore, we must continue to focus energies and resources in these efforts to have any long term, bigger picture effect. Medicine continues to change and evolve with new "limited access" technologies which are intriguing though certainly economically self-limiting. At a time when we are being forced to "watch every dime spent" in regards to hospital costs, it is in truth, difficult to "economically" get excited about some of these newer, very expensive technologic "wonders" such as robotics, etc. Our annual meeting in February at the PGA National Resort & Spa in Palm Beach Gardens will therefore have an entire session devoted to practice management, and another session entirely on asset protection and liability issues. This is paramount to maintaining and continuing a solvent and viable practice whether in solo or group practice.

We hope to have a large attendance at this meeting with active involvement and discussion opportunities. We have the largest state society in the nation and remain a template, to which other states are adapting. Cardiothoracic surgery is at a critical point to "adapt, migrate or die...". To continue to lead by example in our state's society, we must have our membership involvement or we have no one to blame but ourselves.

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FMA Annual Meeting Wrap-Up

Christopher L. Nuland, Esq.
Society Legal Counsel

Energized by the threats to medicine posed by trial lawyers and managed care companies, the delegates to the recent AMA Annual Meeting met in Orlando to address the burgeoning crises in health care. Throughout the four days of meetings, the FMA members consistently supported the FSTCS platform, including the elevation of thoracic and cardiovascular surgeon Robert Cline, M.D. as the new President of the organization.

In addition, the FMA Specialty Society section unanimously supported the Society's position regarding the requirements for board certification, a position that was ratified by the entire House of Delegates the next day. The specialty societies were also strengthened by the Delegates vote to allow physicians to join the FMA through their specialty societies, thereby eliminating county society membership as a precondition to FMA membership.

Legislatively, much of the meeting was devoted to the increasing malpractice crisis, and tort reform was placed at the head of the FMA's upcoming political agenda, with the FSTCS-endorsed proposal to increase a plaintiff's burden of proof being officially placed onto the FMA's legislative agenda.

For its part, FSTCS staff met with leading legislators to garner their support for the upcoming year, as well as Department of Health staff. As a result, immediately after the meeting, the Governor's Task Force on Tort Reform invited the Society to participate in the Task Force's upcoming hearings.

As the FMA meeting demonstrated, the next year will be a critical one for medicine, and the FSTCS is well-positioned to take a leadership role in meeting the challenges that face Florida's physician community.

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Medical Liability Crisis **Are You Protected?**

Christopher L. Nuland, Esq.
Society Legal Counsel

Organized medicine is fortunate to have scores of competent lobbyists and consultants working with it to secure comprehensive tort reform during the upcoming legislative session. Governor Jeb Bush, who made tort reform a significant campaign issue, has appointed a Task Force that has met five times, hearing testimony from several hundred interested parties (including the FSTCS). This Task Force is scheduled in January meeting to make recommendations for legislative action. Likewise, House Speaker Johnnie Byrd has appointed a legislative task force, which thus far has only held an organizational meeting.

While the trial bar has attempted to frame the issue as one of physician ineptitude and insurance industry avarice, organized medicine has assembled a comprehensive package to address the crisis. Rather than punishing physicians and insurance companies, the two parties most harmed by the current situation, the organized medicine plan includes the following:

- A cap of \$250,00 on non-economic damages
- Allowances for periodic payment of awards
- Reduction of awards for funds obtained from other sources
- Liability protection for emergency room and Medicaid providers.
- Increased qualifications for expert witnesses
- Eliminate joint and several liability
- Raising the burden of proof to one of "clear and convincing" evidence
- Bifurcation of trials for fault and damages
- Sliding scale for attorney fees

Unfortunately, no amount of political influence will protect the individual physician who is named in a medical practice lawsuit. With the average jury verdict in Florida now exceeding two million dollars, it is essential that every physician review his or her asset protection plan thoroughly to prevent a potential financial catastrophe.

Insurance

Many physicians claim to be adequately insured, only to discover after a lawsuit that they had overlooked the fine print that left them without adequate coverage. Among the questions that a physician must ask are:

- Who is covered? Many policies insure only the physician, but do not cover the physician's employees or the professional association for which the physician works. As a result, a lawsuit based upon a nurse's mistake can bankrupt the corporation and the nurse, making the physician's outstanding personal coverage inadequate. For an additional premium, virtually all insurance companies will write riders covering employees and employers.
- What is covered? Insurers increasingly are refusing to insure physicians for particular procedures. For instance, many companies are refusing to cover claims arising from some cosmetic procedures unless the physician is a board certified plastic surgeon. Furthermore, professional liability insurance will not cover the physician for a claim based upon the injuries suffered by a patient who slips in the waiting room; it is for this reason that many managed care companies require the physician to maintain a general liability policy of at least one million dollars. Fortunately, such policies are relatively inexpensive (when compared to PLI policies) and can be drafted to protect both the physician and corporation.
- Are the amounts of insurance adequate? With the cost of malpractice insurance having skyrocketed, physicians have a financial incentive to lower their limits to the minimum required by law (\$250,000/\$750,000 if the physician has hospital privileges,

\$100,000/\$300,000 otherwise). With lower coverage limits comes an increased exposure to an "excess judgment," one which exceeds the value of one's coverage and therefore exposes the physician's personal assets to attachment.

Have you protected your assets?

Even if a physician who receives an adverse judgment pays the required amount, the judgment may well be in excess of the statutory amount that must be paid in order to protect the physician's license. In such a case, the plaintiff will place a lien on the physician's remaining assets. A physician therefore must be willing to declare bankruptcy in such a situation, as bankruptcy allows the debtor (i.e., the physician) to protect certain assets from creditors, so long as the assets were converted from otherwise unprotected assets well in advance of the petition for bankruptcy protection. In order to prevent a plaintiff from seizing these assets, the physician must protect them by placing them into one or more protected classes, such as:

- Tenancy by the Entirety. In most cases, the debts of one married partner do not become the debts of both spouses or "the marriage." Therefore, many physicians choose to have most, if not all, assets titled in the name of both spouses as "tenants by the entirety." The drawback to this approach is the threat of divorce or death; if the couple's marriage disintegrates for any reason, the physician's assets revert to his or her own name, and the creditor's judgment may be reinstated to attach these assets.
- Home. Florida law forbids creditors to seize a debtor's homestead, regardless of the value of the property. Therefore, many citizens contemplating bankruptcy place a great deal of their wealth into their primary residence. The drawback to this approach is that the exemption ceases when the homestead is sold; therefore a physician may not be able to sell his homestead without the creditor being able to attach the proceeds of any such sale.
- Life Insurance. Both the proceeds and cash surrender value of life insurance are exempt from the claims of creditors. It is for this reason that many asset protection plans involve the purchase (sometimes through an annuity) of a life insurance policy by the physician's corporation. The purchase price of the life insurance policy is paid by a loan secured by the group's accounts receivable, thereby making the accounts receivable more difficult to attach and protecting the amount placed into the life insurance policy. The drawback of this approach is the commission and transactional cost of such a plan, as well as the possibility of having a period of time during which the physician may not have access to his or her money.
- Retirement Plans. Any pensions from the United States and payments from a qualified retirement plan are exempt from the claims of creditors. Care must be taken to ensure that the physician's retirement plans are qualified under section 401(a), 403(a), 403(b), 408, 408A, or 409 of the Internal Revenue Code. The drawback to this approach is that current IRS regulations limit the amount that may be placed into many of these plans during any particular calendar year.

Physicians are encouraged to seek assistance from qualified attorneys and asset protection specialists prior to engaging in any asset protection plan.

Should physicians have questions, they may contact Christopher L. Nuland, Esq. at (904) 355-1555 or via e-mail at nulandlaw@aol.com at no charge.

SO YOU WANT TO GO BARE

Considerations Before You Take the Plunge

Christopher L. Nuland, Esq.
Society Legal Counsel



With professional liability insurance becoming increasingly expensive or unavailable, many physicians are opting not to maintain such insurance, but rather to self-insure. Before relinquishing professional liability insurance, however,

physicians should ensure that they have considered the following implications:

Have you fulfilled the legal requirements?

- If the physician does not have staff privileges, he or she must agree to pay the first \$100,00 of any judgment within 60 days after the date on which the judgment becomes final (\$250,000 if staff privileges are maintained). This time period may be extended during an appeal. Those who fail to pay the above amounts in a timely fashion will have their licenses suspended.
- The physician must post a sign prominently in the office to read:

Under Florida law, physicians are generally required to carry malpractice insurance or otherwise demonstrate financial responsibility to cover potential claims for medical malpractice. **YOUR DOCTOR HAS DECIDED NOT TO CARRY MEDICAL MALPRACTICE INSURANCE.** This is permitted under Florida law subject to certain conditions. Florida law imposes penalties against non-insured physicians who impose penalties against noninsured physicians who fail to satisfy adverse judgments arising from claims of medical malpractice. This notice is provided pursuant to Florida law.

- The physician must notify the Board of Medicine of his or her intention to go bare.

Have you protected your assets?

Even if a physician who receives an adverse judgment

pays the required amount, the judgment may well be in excess of the statutory amount that must be paid in order to protect the physician's license. In such a case, the plaintiff will place a lien on the physician's remaining assets. A physician therefore must be willing to declare bankruptcy in such a situation, as bankruptcy allows the debtor (i.e., the physician) to protect certain assets from creditors, so long as the assets were converted from otherwise unprotected assets well in advance of the petition for bankruptcy protection. In order to prevent a plaintiff from seizing these assets, the physician must protect them by placing them into one or more protected classes, such as:

- Tenancy by the Entirety. In most cases, the debts of one married partner do not become the debts of both spouses or "the marriage." Therefore, many physicians choose to have most, if not all, assets titled in the name of both spouses as "tenants by the entirety."
- Home. Florida law forbids creditors to seize a debtor's homestead, regardless of the value of the property. Therefore, many citizens contemplating bankruptcy place a great deal of their wealth into their primary residence.
- Life Insurance. Both the proceeds and cash surrender value of life insurance are exempt from the claims of creditors.
- Retirement Plans. Any pensions from the United States and payments from a qualified retirement plan are exempt from the claims of creditors. Care must be taken to ensure that the physician's retirement plans are qualified under section 401(a), 403(a), 403(b), 408, 408A, or 409 of the Internal Revenue Code.

Physicians are encouraged to seek assistance from qualified attorneys and asset protection specialists prior to engaging in any asset protection plan. Should members have questions, they may contact General Counsel Christopher L. Nuland, Esq. at (904) 355-1555 or via e-mail at nulandlaw@aol.com.



ANNOUNCING:



The Florida Society of Thoracic and Cardiovascular Surgeons 36th Annual Meeting February 21 - 23, 2003 PGA National Resort & Spa Palm Beach Gardens, Florida

It is with great pleasure that I take this opportunity to invite you to the 36th Annual Meeting of The Florida Society of Thoracic and Cardiovascular Surgeons. The conference is scheduled for February 21 - 23, 2003 at the PGA National Resort & Spa in Palm Beach Gardens, Florida. Mark your calendars as you will not want to miss this opportunity to meet with colleagues and enjoy an informative scientific meeting. I encourage you to make your hotel reservations at your earliest convenience, as rooms are limited during the winter season at the PGA National.

As can be seen from the enclosed program, our faculty for this year's conference will be presenting a variety of surgical topics. The socioeconomic aspect of the program this year will focus on Cardiac Surgical Asset Protection with a two hour seminar being presented on Sunday morning. You won't want to miss the very important Practice Management Seminar on Friday afternoon which will cover important issues such as HIPAA, Prompt Pay and Medicare Coding, Billing and Collecting. Presentations by Robert Cline, M.D., FMA President and Sandra Mortham, Esq., FMA Legal Counsel will update us on current issues with the FMA. As always the unique format of our annual meeting provides the opportunity to meet and discuss issues with faculty and other members of the society.

Saturday evening at dinner, you can relax as we will be entertained by Ken Davis; a nationally know comedian; who will give us a view of the comedic side of life.

The PGA National Resort & Spa provides an ideal location to host this gathering. The enclosed hotel registration form must be sent directly to the PGA National Resort & Spa for your room reservations. Should you have any questions concerning the resort, please call the PGA National Resort directly at 1-800-633-9150.

If you have not yet received the program and registration forms, please call Bridget Anderson, Society Administrator at (904)683-8200.

I look forward to seeing you at the PGA National Resort & Spa in February.

Sincerely,

Kevin D. Accola, M.D.
President

Florida Society of Thoracic & Cardiovascular Surgeons 2003 Annual Meeting Program

Friday, February 21, 2003

- 1:00 - 4:00 p.m. **Practice Management Seminar**
- **HIPAA Regulatory Requirements**
Leigh Gardner, PMP - Manager, HIPAA Services; Incepture
 - **Prompt Pay - How to Correctly File Your Claims**
Christopher Nuland, Esq
 - **Efficiencies in Coding, Billing and Collecting for Cardiac Surgery - "A Cultural Approach"**
Speaker: Drew Rector
Panelists: Aubrey Cleland, Leroy Francis, Patti Hilt
- 3:00 - 5:00 p.m. Council Meeting
- 6:00 - 8:00 p.m. Welcome Reception with Exhibitors

Saturday, February 22, 2003

- 7:00 - 7:45 a.m. Breakfast with Exhibitors
- 7:45 - 8:00 a.m. Opening Remarks by President
- 8:00 - 8:45 a.m. **Advancement in Echocardiography for the Heart Surgeon**
Maurice E. Sarano, M.D.
- 8:45 - 9:30 a.m. **The Role of the Mitral Valve in Heart Failure**
Patrick M. McCarthy, M.D.
- 9:30 - 10:15 a.m. **The Dor Procedure**
Lorenzo Menicanti, M.D.
- 10:15 - 10:45 a.m. Networking Break With Exhibitors
- 10:45 - 11:45 a.m. **Congenital Heart Surgery in Adults**
Case Presentations: Panelists:
T. Peter Downing, M.D. James A. Alexander, M.D.
Edward G. Izzo, Jr., M.D. Victor O. Morell, M.D.
Wistar Moore, III, M.D. James A. Quintessenza, M.D.
J. Crayton Pruitt, Jr., M.D.
- 11:45 - 12:45 p.m. **Working Lunch -**
FMA Update
Robert E. Cline, MD; President, FMA
FMA Legislative Agenda
Sandra B. Mortham, Esq.
- 1:00 - 6:00 p.m. Golf tournament
- 7:00 p.m. Reception
- 7:30 p.m. Presidents Dinner
Speaker: Ken Davis
- 7:30 - 8:00 a.m. Breakfast with Exhibitors
- 8:00 - 8:30 a.m. Annual Business Meeting
- 8:30 - 9:15 a.m. **Transfusion Alternatives,**
Intraoperatively and Postoperatively
Louis M. Guzzi, M.D.
- 9:15 - 11:15 a.m. **Cardiac Surgical Asset Protection Seminar**
The "Virus" Of Asset Attachment Continues For The Ill Advised
Speaker: Jeffrey P. Phipps
- Status of the Medical Crisis
 - Federal & State Laws
 - Asset Protect Checklist
 - Going "Bare"
 - The Accounts Receivable Transaction
 - The Financial Physical
- 11:15 a.m. Adjournment

The Florida Society of Thoracic & Cardiovascular Surgeons
Presents
Special Informational Seminars

You won't want to miss these **VERY IMPORTANT AND INFORMATIVE** seminars presented as part of the Florida Society of Thoracic & Cardiovascular Surgeons 36th Annual Meeting at the PGA National Resort & Spa, Palm Beach Gardens, Florida.

PRACTICE MANAGEMENT SEMINAR

Friday, February 21, 2003 ~ 1:00 p.m. - 4:00 p.m.

This seminar is intended for Surgeons, Administrators and Billing Managers.

Topics will include:

- **HIPAA Regulatory Requirements**
Leigh Gardner, PMP - Manager, HIPAA Services; Incepture
- **Prompt Pay - How to Correctly File Your Claims**
Christopher Nuland, Esq, Society Legal Counsel
- **Efficiencies in Coding, Billing and Collecting For Cardiac Surgery - "A Cultural Approach"**

Speaker: Drew Rector - Administrator, Cardiac Surgical Associates

Panelists: Aubrey Cleland - Administrator, Cardiac Surgical Associates of SW FL

Leroy Francis, Administrator - Cardiovascular Surgeons, P.A.

Patti Hilt, Billing Manager - Cardiothoracic & Vascular Surgical Associates

CARDIAC SURGICAL ASSET PROTECTION

The "Virus" of Asset Attachment Continues for the Ill Advised

Sunday, February 23, 2003 ~ 9:15 a.m. - 11:15 a.m.

Topics of discussion:

- **STATUS OF THE MEDICAL CRISIS**
- **FEDERAL & STATE LAWS**
- **ASSET PROTECT CHECKLIST**
- **GOING "BARE"**
- **THE ACCOUNTS RECEIVABLES TRANSACTION**
- **THE FINANCIAL PHYSICAL**

Featured Speakers:

Jeffrey P. Phipps, The Phipps Group, Boca Raton

Stuart R. Morris, Esq., Stuart R. Morris, P.A.

Edward J. Barrett, The Barrett Companies, Inc.

For additional information or registration materials, please contact Bridget Anderson, Society Administrator.
(904) 683-8200 ♦ Fax (904) 619-0642 ♦ E-mail fstcs@attbi.com

Making Progress with Blue Cross/Blue Shield

By: Gary Dworkin, M.D.

Dear Society Members:

I am reporting to you on the Society's meeting with Blue Cross/Blue Shield of Florida, which occurred in Jacksonville, Florida on October 8, 2002. A delegation from the Florida Society of Thoracic and Cardiovascular Surgeons, convened in Jacksonville, and met with Dr. Daniel B. Lestage, M.D., MPH, FACP, who is Vice President of Health Services for Blue Cross/Blue Shield of Florida. In addition, several members of his team were present during the meeting. Members of the Florida Society of Thoracic Surgeons included:

Gary Dworkin, M.D., Cardiac Surgical Associates (Clearwater, St. Pete, Tampa)
Edward Izzo, M.D., Brock, Izzo & Alkire, (Tampa)
Derek Muehrcke, M.D., Cardiothoracic & Vascular Surgical Associates (Jacksonville)
Dawn Moerings, FSTCS Executive Director
Bridget Anderson, FSTCS Administrator
Christopher Nuland, FSTCS Legal Counsel
Patti Hilt, Billing Manager, Cardiothoracic & Vascular Surgical Associates
Drew Rector, Administrator, Cardiac Surgical Associates

After several conferences, prior to the meeting, we came to the conclusion that there were still 4 or possibly 5 issues, which had still not been resolved to the satisfaction of the Society. These were originally discussed at a meeting with Blue Cross in late 2001. At that meeting, several practice administrators from different groups in the state of Florida, visited with Dr. Lestage, and presented him with an 11-point summary of the issues that were enumerated in the White Paper, written October 2001. The goal of this White Paper was to create a more reasonable business process between the FSTCS members and Blue Cross/Blue Shield of Florida.

The issues that we again discussed with Dr. Lestage and his staff, included:

1. Isolated coronary artery bypass grafting procedures for CPT codes 33517 - 35619 and 35600. Apparently, Blue Cross/Blue Shield has been treating these particular codes as a multiple surgery code. They are improperly reducing payment of 50% for the coronary artery bypass grafting procedure. These codes involve harvesting vein grafts or radial arteries. A response from Blue Cross/Blue Shield on this particular issue, dated June 4, 2002 did agree with the FSTCS, that these were codes that should not be reduced 50%. Unfortunately, this is still occurring. The Blue Cross/Blue Shield staff was surprised; but they promised to immediately look into this and correct the problem.
2. The second point was regarding incorrect payment processing. It has become apparent from a number of practices in the state, that despite Blue Cross/Blue Shield stating that 95% of all incorrect payment inquiries are corrected within 21 days of the receipt of a notice; it has been the experience of members' offices that these are taking at least 4 to 6 weeks. We are clearly using the same measurement of time as Blue Cross/Blue Shield. Therefore Blue Cross/Blue Shield has stated that they will also immediately look into this issue.
3. Physician Assistant claims processing was also discussed. While this may be more difficult for Blue Cross/Blue Shield to resolve, they understand our concerns, as well as the fact that although we are getting paid, we must manually submit claims. This obviously increases human resource hours for both Blue Cross/Blue Shield as well our members' offices. They will work on more of an electronic approach to this.
4. Blue Cross/Blue Shield continues to be slow to credential new physicians. Dr. Lestage and staff mentioned that they are acutely aware of this problem, and have initiated several major process improvement schemes, which will go into effect on approximately October 15, 2002. They believe that in the next 6 months, we should see a significant improvement in the process for credentialing new physicians. They warned us that this might take at least 6 months to see results.
5. We did mention to Blue Cross/Blue Shield at the end of the discussion that a 57-modifier used for reimbursement, involving both rounding days prior to a patient's scheduled surgery, as well as

Making Progress with Blue Cross/Blue Shield continued

consultation on the day prior to the surgery, were inconsistently being paid. Again, Blue Cross/Blue Shield did acknowledge that they believe that this should be paid, and they will expedite an investigation into this. We expect a response within approximately 4 months from Blue Cross/Blue Shield. The administrative staff, and specifically, Dr. Lestage, did indicate (as conveyed in their first response letter) the response process is taken very seriously, and does take time for drafts to be written as well as all team members from different areas of expertise to weigh in on the various process improvement issues.

Thanks for the opportunity of representing the Florida Society of Thoracic and Cardiovascular Surgeons in Jacksonville. I believe that our relationship with Blue Cross/Blue Shield serves as a template for future initiatives with other insurers throughout our state.

UPDATE

Following the meeting, specific examples of these issues were provided to Blue Cross/Blue Shield. On October 31, 2002 we received the following response from Sharon Hagins at Blue Cross/Blue Shield on issue #1- Procedure code 35600 being improperly subjected to the multiple surgery guidelines and paid with a 50% reduction:

"I do have an update for you on the problem with procedure code 35600. This procedure code should not be subject to multiple surgery guidelines and payment reduction. In our PPO system, the code was excluded from multiple surgery guidelines, however, in our HMO system it was not. That has now been corrected and you should no longer have this problem. If you have any claims that were cut back incorrectly, those should be sent in to for an additional payment."

NEW PROMPT PAY LAW TO TAKE EFFECT OCTOBER 1

Christopher L. Nuland, Esq.
Society Legal Counsel

After several months of intense lobbying by the Florida Society and its allies, the Florida Legislature finally passed a Prompt Pay Bill during its recent Special Session. While not as comprehensive as the bill proposed during the Regular Session, the legislation is an improvement of the existing law. Among the highlights:

For Electronic Claims

- HMOs and insurers must acknowledge the receipt of a claim within 24 hours.
- HMOs and insurers must pay, contest, or deny a claim within 20 days.
- A provider must provide requested additional information within 35 days of a request from an insurer or HMO.
- HMOs and insurers must pay or deny all claims within 90 days. Any claim over 120 days must be paid.

For Paper Claims

- HMOs and insurers must acknowledge the receipt of a claim within 15 days.
- HMOs and insurers must pay, contest, or deny a claim within 40 days.
- A provider must provide requested additional information within 35 days of a request from an insurer or HMO.

- HMOs and insurers must pay or deny all claims within 120 days. Any claim over 140 days must be paid.

For Refund Requests

- No refund requests may be made more than 30 months after payment.
- Provider can contest an overpayment claim within 35 days, after which the managed care organization has 35 days to respond.

Other Provisions

- Interest of 12% per year starts on the date a claim should have been paid.
- HMO's and insurers may not retroactively deny a claim due to a patient's ineligibility more than 12 months after paying the claim.
- A contracted primary care physician or admitting physician may not be precluded from providing covered inpatient services.
- HMOs and insurers will be liable for the failure of their contracted networks to pay providers in accordance with the Prompt Pay Law.
- The State Claims Dispute Program will include HMO and insurer disputes.

For further information, please contact the Society Office.

FSTCS 2002 Summer Family Retreat Highlites

The FSTCS Summer Retreat Meeting at the Ocean Reef Club in Key Largo was a wonderful opportunity to meet with colleagues in a relaxed environment while including our families in some fun summer activities. With over 230 people in attendance it was our largest family retreat yet! Twenty three companies came to exhibit, sponsor and share in the social activities of the weekend. Saturday morning, Mark Genovese, M.D., Steve Dziadik, PA-C presented Endoscopic Vein and Radial Artery Harvesting, and on Sunday Aortic & Coronary Artery Anastomatic Devices was presented by Kush Katariya, M.D. Both presentations were interesting and informative.

For those who arrived early to take advantage of the Fourth of July holiday on Thursday, there were many Ocean Reef activities including children's events and a Bar-B-Que. The fireworks over the water at day's end were a sight to behold!

Although rain forced the reception indoors, our Friday evening festivities were still enjoyed by all. At dinner, the adults were entertained by James on his guitar with relaxing "beach "music, and our children thoroughly enjoyed Mr. Beanie and his lovely assistant who provided an evening of face painting, puppetry, magic

and fun! We were even treated to the remarkable talent of Candace Accola who wowed us once again with her singing.

Saturday morning's fishing tournament boasted our largest group of junior anglers yet, with 57 children trying to "catch the big one". They caught lots of fish and even some non-fish items! Although weather threatened to dampen our plans and our spirits; Mother Nature did not get the best of us. 45 snorkelers went out and explored the deep on our annual family snorkeling trip. Despite the overcast weather, the trip was enjoyed by all! The evening culminated in our first fabulous beach reception and dinner. While some danced the night away under the stars, others tried their hand at a fun game of beach bowling. With sand in our toes families gathered around the bonfire to make s'mores. As a finale to a perfect evening, the Ocean Reef Club outdid itself by providing our members a spectacular fireworks display over the water. It was truly a night to remember.

Mark your calendars now for next year's retreat at the Ocean Reef Club July 11 - 13, 2003 so you won't miss another year of family fun!

2002 Summer Family Retreat Corporate Sponsors

*We are pleased to recognize the following companies for their support of the
2002 FSTCS Summer Family Retreat*

SPONSORS

Bayer Corporation Pharmaceutical Division
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Edwards Lifesciences
FPIC

Guidant Corporation
Medtronic
St Jude Medical
Sulzer Carbomedics, Inc.

EXHIBITORS

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Genzyme Biosurgery
Haemacure Corporation

ILEX Medical
Porter Medical
Instrument Associates
InterVascular, Inc.
Datascope Corp - Cardiac Assist
Jostra Corp
Lidco, Ltd.
Medical Carbon Research Institute

FSTCS 2002 Summer Family Retreat Highlights



Friday Evening's Family Reception & Dinner



Children's Fishing Tournament



Saturday Evening's Beach Party



Here's Why HIPAA Isn't Going Away

Leigh Gardner, PMP
Manager, HIPAA Services; Incepture

At a recent professional association meeting I discussed with several private practice physicians the status of their HIPAA compliance efforts. Responses ranged from, "I'm just waiting and see if it will eventually go away" to "It's here to stay and our efforts are well underway."

HIPAA isn't going away, and here's why:

1. The Center for Medicare and Medicaid Services (CMS) is already conducting transaction testing with software vendors who serve Medicare providers. Even though Medicare has filed for an extension, they are well underway to compliance with the transaction and code set (TCS) components of HIPAA. In my opinion, CMS will expect private payers to do whatever is necessary to comply; and for small providers to take advantage of the assistance available for free on the Internet. Medium to large providers will be expected to execute a HIPAA compliance plan and if necessary, seek outside assistance from the myriad consultants that have moved into this field.
2. Congress provided a mechanism for affected entities (covered entities) to file a 1-year extension. This "model compliance plan", as it is called, serves several purposes. It heightens awareness of the compliance dates and the steps to get to compliance and it identifies barriers faced by covered entities trying to achieve compliance. Current thinking is that CMS will use the answers to summarize the types of barriers being faced and seek solutions from the various workgroups involved in the national implementation efforts.
3. The real burden of complying with the transaction and code set requirements of HIPAA falls on payers, clearinghouses and software vendors. Many of these entities have filed for an extension as a safety net but were already on the way to complying with the TCS requirements. Providers have ultimate accountability for ensuring they can send compliant transactions to payers, but they have options that include using a billing service or clearinghouse that is compliant to meet the requirement.

If those reasons don't convince you, there is still nothing to lose by filing a model compliance plan for

an extension. It must be filed not later than October 16, 2002 and there are no provisions for filing after that date. But do not wait until the last day and expect the website to be a cinch to access. Other procrastinators with second thoughts will be clamoring to file their extension too. If you file the plan and put some thought into your answers as to your status and reasons for requesting the delay, you may actually affect subsequent actions of CMS in addressing issues that the industry raises through this extension process.

And keep in mind that the extension only addresses the electronic requirements of HIPAA. The deadline of April 14, 2003 for meeting the Privacy Rule still stands. The deadline for meeting the security requirements is expected out before the end of 2002. Once you have filed a model compliance plan with CMS, the logical step is to formulate a plan to address all aspects of HIPAA and how your organization will meet them within the designated timeframes.

To file an extension, visit www.Incepture.com, where you will find a direct link to CMS to file a model compliance plan for an extension under the "HIPAA Resource Materials" link.

Leigh Gardner is the Manager of Health Care Consulting for Incepture, Inc., which provides a range of HIPAA compliance tools and services. Incepture can partner with your organization to conduct a complete HIPAA compliance project, or can supply you with cost-effective tools to execute your own compliance project. For more information, visit www.Incepture.com for articles on HIPAA.

*****ATTENTION*****

Don't miss Leigh Gardner's presentation:

HIPAA Regulatory Requirements

During the Practice Management Seminar at
the FSTCS 2003 Annual Meeting
Friday, February 21, 2002
1:00 p.m. - 4:00 p.m.
PGA National Resort & Spa
Palm Beach Gardens, FL

Membership Invitation

Dear Fellow Surgeon:

We invite you to apply for membership in the Florida Society of Thoracic and Cardiovascular Surgeons.

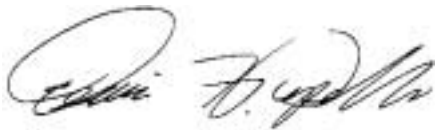
This year, **new member candidates** may attend the annual meeting with **COMPLIMENTARY MEETING REGISTRATION** (a savings of \$350.00). To take advantage of this special benefit, please submit your membership application with the \$50 application fee prior to (or along with) your annual meeting registration.

To qualify for membership, certification from the American Board of Thoracic Surgery is required as well as having been in practice in the state for a minimum of two years. Annual dues are \$250 for Active Membership and \$200 for Associate Membership and are payable upon approval. To apply for membership, simply complete and return the application form on the reverse side of this letter along with the \$50 application fee to the society office by December 31, 2002.

Applicants for membership will be presented to the Executive Council during our next annual meeting to be held February 21 - 23, 2003 at the PGA National Resort & Spa in Palm Beach Gardens, Florida. We urge you to complete the application in plenty of time in order for your name to be presented at this meeting. It is also suggested that you personally contact your two references and request that they send a letter of recommendation to the office to be received before December 31, 2002. In this way, the application process for membership will not be delayed.

If you have any questions regarding the activities of the Society or the membership application procedure, or if you need additional information about the upcoming annual meeting, please contact Bridget Anderson at our society office at (904)683-8200. I believe you would enjoy the professional fellowship of our organization and find your membership worthwhile.

Sincerely,



Dennis F. Pupello, M.D.
Membership Chairman



Kevin D. Accola, M.D.
President



Florida Society of Thoracic and Cardiovascular Surgeons

APPLICATION FOR MEMBERSHIP

Active _____ Associate _____

(Please Type or Print)

NAME _____ PHONE _____
(Last) (First) (Middle)

OFFICE ADDRESS _____ EMAIL ADDRESS _____
(Street)

_____ FAX _____
(City, State and Zip)

YOU MUST BE A RESIDENT OF THE STATE OF FLORIDA FOR AT LEAST TWO YEARS TO BECOME AN ACTIVE MEMBER OF THIS SOCIETY. IF NOT, YOU MAY APPLY FOR AN ASSOCIATE MEMBERSHIP.

DATE OF BIRTH _____ PLACE OF BIRTH _____ SPOUSE NAME _____

PREMEDICAL EDUCATION (with dates) _____

MEDICAL EDUCATION (with dates) _____

INTERNSHIP (with dates) _____

RESIDENCY / Other Graduate _____

Training (with dates) _____

PRACTICE EXPERIENCE (since residency) _____

BOARD CERTIFICATIONS:	Date of Certificate	Certificate Number
American Board of Surgery	_____	_____
Board of Thoracic Surgery	_____	_____
Royal College of Surgeons	_____	_____
Other Professional Memberships:	_____	_____

Date licensed to practice in Florida (Must be at least 2 years for Active Membership): _____

List two FSTCS Members outside your own group who will provide references for this application: _____

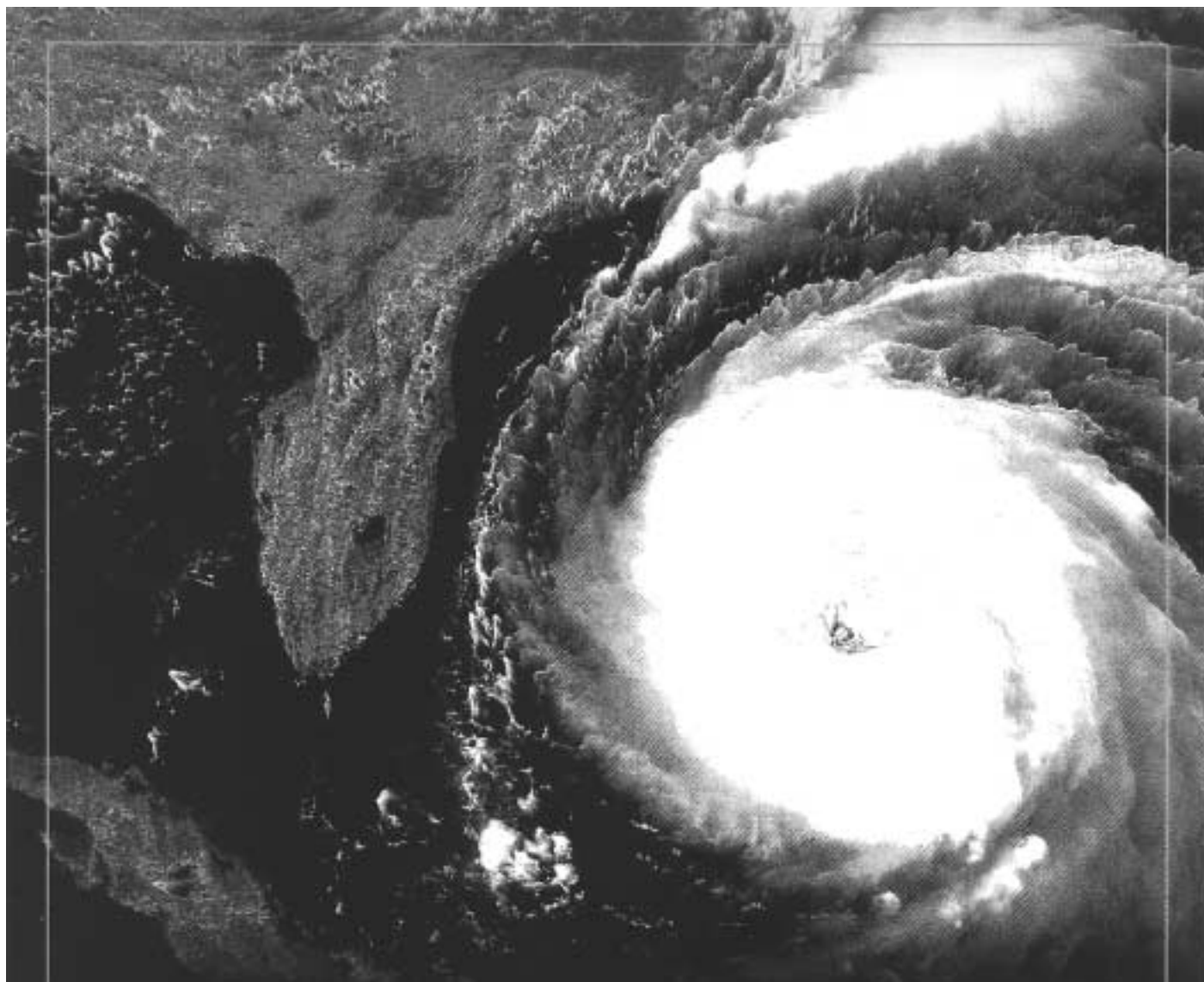
(1) _____

(2) _____

Signature of Applicant: _____ Date _____

PLEASE RETURN WITH \$50 APPLICATION FEE TO:

Florida Society of Thoracic and Cardiovascular Surgeons
5101 Ortega Boulevard
Jacksonville, Florida 32210
(904) 683-8200 / FAX (904) 619-0642



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The Florida Society of Thoracic and Cardiovascular Surgeons News

The Florida Society of Thoracic and Cardiovascular Surgeons newsletter is published periodically and mailed to members of the Society.

Kevin D. Accola, M.D., President
T. Peter Downing, M.D., Secretary/Treasurer
Bridget H. Anderson, Administrator

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FSTCS Newsletter
c/o 5101 Ortega Boulevard
Jacksonville, FL 32210

Phone: (904) 683-8200
Fax: (904) 619-0642
E-mail: fstcs@attbi.com

MARK YOUR CALENDAR WITH THESE IMPORTANT DATES

2003 FSTCS Annual Meeting
February 21 - 23, 2003
PGA National Resort - Palm Beach Gardens, FL

2003 FSTCS Summer Retreat
July 11 - 13, 2003
Ocean Reef - Key Largo, FL

2004 FSTCS Annual Meeting
February 20 - 22, 2004
The Doral Golf Resort & Spa - Miami, FL

2004 FSTCS Summer Retreat
July 9 - 11, 2004
Ocean Reef - Key Largo, FL

FSTCS
5101 Ortega Blvd.
Jacksonville, FL 32210
