

## VERMONT MEDICAL SOCIETY RESOLUTION

### Unfunded Mandates

*Submitted to VMS Council by VMS Executive Committee - September 7, 2010*

1 WHEREAS, Unreimbursed administrative tasks increasingly burden physician practices, including  
2 obtaining prior authorization, working with multiple formularies, editing of claims, reviewing accuracy  
3 of quality data, maintaining EHRs or registries, and coordinating care; and  
4

5 WHEREAS, On average, U.S. physician practices spent \$68,274 per year interacting with health plans  
6 or a total of approximately \$31 billion representing 3 hours of physician time per week, 19 hours of  
7 support staff time per week and 35.9 hours of clerical staff time per week<sup>1</sup>; and  
8

9 WHEREAS, Physicians use nearly 12% of their net patient service revenue to cover the costs of this  
10 administrative complexity;<sup>2</sup> and  
11

12 WHEREAS, A single transparent set of payment rules for multiple payers, a single claim form, a  
13 standard set of rules for claim submission and editing would reduce unfunded mandates for physician  
14 practices, would translate into approximately \$7 billion of savings annually for physician and clinical  
15 services, on a national scale, and would save four hours of professional time per physician and five hours  
16 of practice support staff time each week<sup>3</sup>; and  
17

18 WHEREAS, In the 2010 VMS Physician Survey, 89% of the respondents agreed or strongly agreed that  
19 physicians should be paid for non face-to-face services such as phone or online services, care  
20 coordination and prior authorization; therefore be it  
21

22 **RESOLVED, VMS will advocate for reimbursement for physician and staff time spent on**  
23 **administrative activities such as prior authorization, maintaining electronic records,**  
24 **coordinating care time (including liaison time for primary care & specialty care), phone and**  
25 **online services, and other similar tasks; and be it further**  
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27 **RESOLVED, VMS will work to ensure adoption of uniform statewide or national standards for**  
28 **quality data, formularies, prior authorization and claim payment; and be it further**  
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30 **RESOLVED, VMS will advocate with public and private payers to ensure that CPT code 99444**  
31 **is available and reimbursed for physicians to use for e-visits; and to ensure that CPT codes**  
32 **99441, 99442 and 99443 are available and reimbursed for physicians to use for telephone services**  
33 **and be it further**  
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35 **RESOLVED, VMS will collaborate with AMA on national initiatives such as the National Insurer**  
36 **Report Card; the AMA Practice Management White Papers and will review best practice models**  
37 **from other states.**

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<sup>1</sup> Minott J, What are the Costs to Physicians of Administrative Complexity in Their Interactions with Payers?,  
Changes in Health Care Financing & Organization 2010:13 (2)  
<http://www.academyhealth.org/files/publications/HCFOMarchFindingsBrief.pdf>

<sup>2</sup> Blanchfield B, Heffernan J, et al. Saving Billions of Dollars – And Physicians' Time – by Streamlining Billing  
Practices, Health Aff 2010:29 (6)29, <http://content.healthaffairs.org/cgi/reprint/29/6/1248>

<sup>3</sup> Id.