

SAN ANTONIO ORTHOPÆDIC SPECIALISTS

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To my present and potential patients:

Many of you are aware that there is a crisis with regard to Medicare in this country. People often equate Medicare with Social Security and fear therefore that the system is running out of money. To the contrary, Medicare and Social Security are entirely separate programs. The problem with Medicare is much more complicated than simple numbers of Baby Boomers. Social Security is mandatory. Medicare participation is voluntary, both for the patient and for the physician.

When it was first enacted, Medicare was set up so that the government would never be directly involved in the practice of medicine. For those with greater curiosity, please see section 1801 of the Medicare act of 1965. Since then, the government has become very involved in the practice of medicine, now with more than 132,000 pages of regulations with which physicians must comply. Failure to comply can result in fines of \$10,000 per occurrence and/or jail time. Career ending punishments are handed out with frequency for relatively minor infractions. While many of the regulations make sense, increasingly, pharmaceutical companies lobby the legislators to pass new regulations that favor their products.

A good example here in Texas of pharmaceutical companies using legislation to promote their products involves the vaccine against cervical cancer. The vaccine actually protects against many, but not all cervical warts. Only one company makes the vaccine. While probably a great step forward, there is not yet proof that the protection afforded by the vaccine lasts indefinitely, and efficacy beyond 4 years is being questioned. However, in 2007, Governor Perry mandated by executive order, bypassing the legislature, that girls entering 6th grade be vaccinated. These are girls 11 and 12 years old. One would hope that they'd not be sexually active until at least 16 years of age, at which point, of course, they'd probably need a booster.

At the same time, the reimbursement to the physician for this work gets effectively divided by the total number of people needing the work. This is the basis for the so called Sustainable Growth Rate or SGR. Thus, while the need for orthopaedic services is

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steadily increasing, as is the rent and the salaries of all the staff who assist in your care, the payments to physician's offices has been static for 5 years, with a paltry 0.5% increase in January 2008. This latest "temporary fix" will expire at the end of 2009, and a cut of more than 20% is planned across the board, with another 10% at the end of 2010.

For both of these reasons, at least until Congress can get it's act in gear, I have "opted out" of Medicare and Medicare replacement plans effective July 1, 2008. Nobody forced me out. Again, Participation in Medicare is voluntary.

The government also forces an unpleasant timing on both this practice and all of my patients. One cannot opt in or opt out at any time. One can opt out only at four points in the year, 30 days in advance of the start of a quarter. Further, the "opt out" lasts for two years. With no activity from physicians who have opted out, the government automatically puts them back into the program after two years, immediately subject to those same 132,000 pages of regulations.

Currently, 42 percent of all Texas physicians, and 62 percent of Texas primary care physicians limit the number of new Medicare patients in their practice. (TMA survey) By my opting out, those patients who want to continue under my care can do so. There is no arbitrary limit.

My "opting out" does not mean that I will not see patients who have Medicare. It does mean that I will have the ability to continue to provide state of the art service to you, the patient, without the pharmaceutical or implant manufacturer funded government regulations. Now, like any other non-medical service or industry, patients otherwise covered by Medicare, will be seen in this office on a "fee for service" basis. At the same time, as I hope to save on staff time and energy complying with regulations, the service may be in fact less expensive.

Most people now have secondary insurances. Many secondary insurances will help to cover the expenses of this office. Other Medicare benefits, such as hospital and drug benefits, have not be affected by my opting out. Thus far, Medicare has paid for all drugs that I have prescribed, as well as the expenses of a hospital stay, therapy, and the cost of implants if I perform surgery.

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For those patients who have called their secondary carrier and been told otherwise, please allow us to help. Remember, that the business of an insurance company is to take your money and keep it. Legalized thievery if you ask me. Anyway, there is a big difference between paying for appropriate services rendered by an opted out physician and paying for inappropriate or unapproved services rendered by any physician. Most insurance companies will pay for the first. None should pay for the second. When I first opted out, I initially handed the responsibility for billing secondary insurances to the patients. Too many patients, when asking about my services, got answers relating to unapproved, experimental, or inappropriate services. not appropriate care by an opted out physician. This proved to be frustrating to many patients. Therefore, my office now will manage billing secondary insurances. We know the way past this particular roadblock. Credit balances will be promptly refunded to the patients.

In closing, I do promise that I will do everything in my power to provide excellent service at an affordable price. Since I've opted out, the clinics are a little less hectic, the waiting times are down (at least some), and I'm able to spend a little more time with each patient. This is really what medicine should be. I believe that there is value in that. I hope that you agree.

Thank you for your time and attention.

Sincerely,

A handwritten signature in black ink, appearing to read "Adam Harris", with a stylized flourish at the end.

Adam I. Harris, M.D.