

November 4, 1996

Richard Besdine, MD

Director, Health Standards Quality Bureau

Health Care Financing Administration
7500 Security Boulevard
S3-02-01
Baltimore, MD 21244

Dear Dr. Besdine:

On behalf on the American Society of Internal Medicine (ASIM), the nation's largest medical specialty, I am writing to express our concern over the role of Peer Review Organizations (PROs) in reviewing the care provided to Medicare beneficiaries who are enrolled in Medicare Health Maintenance Organizations(HMO)/Competitive Medical Plans (CMP). This matter was brought to our attention by an ASIM member who had encountered a problem during the PRO review process.

Specifically, a patient enrolled in a Medicare HMO/CMP was seen by a cardiologist and referred to a gastroenterologist. In reviewing the care of this patient, the PRO determined that there was no treatment plan established by the patient's primary care physician (PCP), nor any follow-up visits scheduled by the PCP. As a result, the PRO sent a letter to the PCP of record identifying a "quality concern." The PCP responded to the PRO that he had not received an enrollment list from the health plan and that he had no knowledge of this patient. Although he thought that this information would absolve him of responsibility, the PRO made the final determination that "the patient should have been seen and followed by the patient's PCP" and "should have had follow up plans established by the assigned PCP."

ASIM realizes that "quality points" are no longer assigned to physicians under the PRO program. Frequent quality concerns can lead to a pattern of care that is considered problematic being attributed to a particular physician, however. It is unreasonable to hold a physician accountable for care provided to a patient when the physician has no knowledge that he or she has be selected as the patient's PCP. A physician must be notified by the health plan of patients for which he or she has be designated as the PCP.

This situation exposed flaws in the current PRO process for review of care of patients who are enrolled in plans with Medicare risk contracts. Communication had broken down at several stages throughout the review process. The plan failed to provide an enrollee list to the PCP, the PCP failed to pursue the matter with the health plan, the PRO failed to investigate further after receiving the PCP's response, the specialists failed to contact the PCP, and the patient failed to inform anyone that she had selected a PCP. Lack of appropriate action by all parties involved signifies a problem in the process.

ASIM is concerned that this may be standard practice within the PRO review process and that this problem likely extends beyond this particular case. Furthermore, if unaddressed, this problem will worsen as more Medicare beneficiaries sign up with risk contractors and as more of those beneficiaries are granted direct access to specialty care. ASIM requests that the Health Care Financing Administration examine the PRO review process to ensure

that physicians are not held accountable by PROs for the quality of care of a given patient unless the physician has been informed by the health plan that he or she was selected as the patient's primary care physician..

Sincerely,

Alan Nelson, MD

Executive Vice President

cc: Bruce Vladeck, PhD, Administrator
Health Care Financing Administration