



RIMS Survey

Physician survey documents RI's growing health care crisis

RIMS e-mailed a first-ever electronic interactive survey to some 1200 Rhode Island physicians in mid-February. More than 30% (413) of the recipients responded.

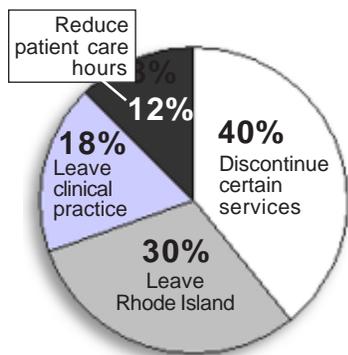
Comparisons between 2003 and 2004 survey results reflect physicians' deepening frustration with the Rhode Island practice environment. Asked "Compared to one year ago, how has the environment for medical practice in Rhode Island changed for you," 75% responded that it had "become worse," and 23% indicated that it had "stayed about the same," while 5% said it had improved.

Economic pressures and inequities lead doctors' list of concerns.

The single most important issue to Rhode Island physicians is "overall practice costs versus reimbursement" (71% of respondents ranked this as a top concern); second was "low commercial reimbursement rates" (69% of respondents ranked this as a top concern). "Administrative hassles with insurers" was a top concern for 58% physicians.

Liability, health insurance costs lead physicians' practice concerns

Concern about the high and rising cost of liability insurance narrowly outstripped concern about the high and rising cost of health insurance. A year ago, the reverse was true: health insurance costs were a slightly greater concern than liability premiums. Both are major concerns to the great majority of physicians.



Has the increase in your medical professional liability costs prompted you to consider OR to take any of the following actions?

Compared with last year, the potential consequences for Rhode Islanders have become graver. This year, 40% of respondents indicated that extreme hikes in liability premiums had prompted them to discontinue or to consider discontinuing certain services, and 30% said liability costs have forced them to consider leaving RI.

Underscoring the accelerating decline in availability of medical services were physicians' perceptions of the state's medical workforce.

Asked "Does Rhode Island have an adequate number of physicians in your specialty to meet the needs of Rhode Islanders?" a remarkable 41% said "no."

In effect, these physicians are saying that they do not have enough competitors; this number is up significantly from an already substantial 34% a year ago.

An impressive 68% of responding physicians said they had experienced difficulty in recruiting other doctors to their practice or hospital in the past 3 years.

Fifty-eight percent said they had experienced diffi-

Compared to 1 year ago, how has the environment for medical practice in RI changed for you?



culty in retaining physicians in their practice or hospital in the past 3 years.

The numbers are roughly consistent with last year's survey. A clear majority of RI physicians have first-hand experience of the competitive disadvantage in which RI finds itself when it comes to attracting new medical talent.

Asked what steps they had taken or planned to take in response to rising costs and inadequate reimbursement, 20% said they were working longer hours. 15% said they had dropped or considered dropping participation in an insurance plan. 12% said they had or might cut salaries and/or benefits, and an almost equal number said discontinuing certain services was an option.

A greater role for government?

Asked "Do you support the creation of a Rhode Island Department of Insurance with authority to regulate premiums, reserves, reimbursement levels and contracts?" 82% answered in the affirmative.

United Healthcare of New England

The survey appeared to confirm the special role of United Healthcare in enforcing the "Rhode Island penalty." 85% of respondents indicated that they accept reimbursement from United.

Do you currently accept reimbursement from United Healthcare?

YES- 85% NO- 15%



Asked why they do so, respondents often selected more than one reason. 42% of the total responses indicated "patient convenience" as a reason; 25% marked "significant part of patient mix," 23% said it was a "business decision," and 10% indicated "other" reasons for United.

Sixty-four percent of respondents indicated that, based on their 5 most frequently billed codes, United reimburses at a level that is below Blue Cross & Blue Shield of RI. 28% thought the two insurers reimbursed them "about the same," and 8% believe that United pays them more than Blue Cross.

Other evidence corroborates physicians' impressions of United as an even poorer payer than Blue Cross, but it also indicates that the magnitude of the actual payment disparities between United and Blue Cross may be even greater than many physicians realize.

Physicians are sometimes surprised when they learn just how low United's reimbursements really are.

One physician discovered that United was paying his practice at an overall rate that is 37% lower than what Blue Cross is paying.

Bad debt and paperwork

Thirty-three percent said that uncollectable bad debt had "increased somewhat" in their practice over the past three years, and 29% said bad debt had "increased significantly" in that time period. 24% said levels of bad debt had stayed "about the same," and 13% said they didn't know.