

## Preserve private practice, physician ownership models to ensure appropriate care in the right setting

Physicians in private practice hire qualified staff and invest in equipment, buildings and other assets to help them improve patient outcomes, decrease patient out-of-pocket costs and enhance coordination of care. Cardiologists own or lease testing and diagnostic equipment, cardiac catheterization labs, and some are part owners of specialty hospitals.

Just as hospitals employ physicians, own facilities and provide equipment for patient testing and treatment, cardiology practices do the same in order to care for their patients. But there are some who think that only hospitals should have the right to own such assets. The health insurance reform legislation has banned new (after December 31, 2010) physician-owned hospitals, including heart hospitals, and eliminated the ability of existing physician-owned facilities to grow. This ban includes the addition of procedure rooms. Many of these hospitals are rated highest in quality and lowest in re-admission rates nationwide.

CAA members strongly disagree with restrictions on physician-owned assets, including imaging equipment and hospitals, because:

- ◆ Appropriate medical imaging, provided by trained credentialed physicians in the outpatient setting, is the standard of care in virtually every medical specialty. It couples patient safety and convenience with the latest technology, and puts critical information in the hands of the person most knowledgeable of the patient's medical history—his or her own cardiologist.
- ◆ Cardiac specialty hospitals provide high-quality, patient-centered heart care to many communities across the nation. They excel in efficiently managing the care process to achieve the best clinical quality for heart patients because the specialty facility is totally focused on the specific needs of cardiac patients. Quality rating organizations and insurers consistently rate physician-owned heart hospitals as providers of the highest quality cardiac care available.
- ◆ In-office services cost Medicare, other insurers and patients less than the same procedures performed in the outpatient hospital setting. Yet the quality of care and the *continuity* of care between the patient and the physician are improved because the physician who interprets the test is the patient's cardiologist and knows the patient's medical history and treatment plan.

Cardiologists support quality measures to ensure appropriate use of imaging equipment and high-quality care and ownership disclosure. Physicians who own imaging equipment or refer patients for tests performed on such technology should be required to:

- ◆ Inform their patients of their ownership interest in the equipment.
- ◆ Tell patients that they may obtain their test from a different provider
- ◆ Provide them with a list of local providers who can perform the diagnostic test.
- ◆ Physicians who interpret imaging tests should be credentialed in the specialty.
- ◆ Use appropriateness criteria to ensure that patients receive the right test to diagnose their heart disease.
- ◆ All imaging facilities, including those owned by hospitals, should be accredited.

***(continued on reverse)***



*CAA educates the professional cardiovascular community about regulatory and legislative issues that affect their ability to provide high-quality patient care, and represents the common interests of the cardiovascular patient and professional. For more information, visit our website: [cardiologycaa.com](http://cardiologycaa.com).*

*(continued from reverse)*

## **In-office imaging, cardiac-specific facilities improve continuity of care**

Appropriate medical imaging in the office setting enables physicians to reach the correct diagnosis faster, which in turn leads to the provision of timely, often lifesaving, treatments. **Keeping medical imaging in the hands of physicians who treat patients is critical.** It allows them to use their detailed knowledge of the patient's medical history and specialized training to produce the most effective treatment plan possible.

**In-office testing is both convenient and cost effective for patients and helps avoid unnecessary office visits.** The shift to outpatient testing substitutes less costly office-based imaging for more expensive hospital-based imaging.

**Healthcare costs actually can be reduced through the appropriate use of medical imaging. Identifying disease in its earliest stages leads to timely, cost-effective treatment.** Office-based imaging has replaced many invasive and more expensive tests like angiography or surgical biopsy for diagnosis of disease.

Cardiologists also support transparency of ownership, quality protocols for specialty hospitals and competition in health care. CAA members believe:

- ◆ Disclosure of physician ownership of specialty hospitals will promote transparency for both patients and insurers.
- ◆ Emergency care provisions and protocols will help ensure patient safety and the provision of high-quality care
- ◆ Competition in health care raises the level of quality for the entire community and allows the laws of supply and demand to control healthcare costs.
- ◆ Specialty hospitals pay significant real estate, property, income and sales taxes, unlike nonprofit community hospitals that do not pay taxes. The total proportion of net revenues that specialty hospitals devote to both uncompensated care and taxes significantly exceed the proportion of net revenues that community hospitals devote to uncompensated care.

### **The Bottom Line**

Patients need and deserve access to in-office imaging tests and specialty hospitals for quality care, patient convenience and choices in medical facilities.

Cardiologists are very supportive of laboratory accreditation, physician credentialing, appropriateness criteria, emergency protocols and transparency measures to ensure that patients receive high-quality, appropriate care in the setting of their choice.

As small business owners, physicians should maintain the right to own assets so they have access to the tools they need to diagnose and treat their patients' heart disease.



For more information, please contact CAA at 734.878.2108 or visit our website: [cardiologycaa.com](http://cardiologycaa.com).