The 186 members of the 127th Maine Legislature returned to the State House in Augusta on Wednesday, January 7, 2015 for their First Regular Session which is expected to last until mid-June. Governor LePage announced his proposed State Fiscal Year 2016-2017 biennial budget on Friday, January 9th and it reflects his priorities of tax reform and a reduction in welfare spending, but also a commitment to funding primary care services and the MaineCare Health Homes initiative. MMA Legislative Committee Chair Amy Madden, M.D. invites you to join in our advocacy work by following news of legislative action in Maine Medicine Weekly Update, our e-newsletter, and participating in our weekly Legislative Committee conference calls each Tuesday at 8 p.m. during the session.

The most positive aspect of the Governor’s budget is the Administration’s continuation of enhanced MaineCare reimbursement for certain primary care practitioners following expiration of the federal government’s ACA guarantee. The cost of this line item is $12.5 million (state and federal dollars) in each year of the biennium. The Governor’s budget proposal also invests $5.6 million in the first year and $7.8 million (General Fund) in the second year of the biennium in the MaineCare Health Homes initiative in replacement of expired federal funding. Other aspects of the budget proposal, particularly those affecting hospitals and public health, including the Fund for a Healthy Maine, are more positive. As he said, “We are very fortunate to have recruited Peter back to his home state and back to the practice of law and advocacy,” said Gordon Smith, Esq., Executive Vice President of MMA. “Peter comes to us with a unique background in mediation, arbitration and fact-finding.”

Join us for Physicians’ Day at the Legislature on March 12th, from 8:00am - 4:00pm, State House Hall of Flags.
Hello and Happy New Year to everyone. I wish you a healthy and productive 2015. The first few months of my Presidency I was immersed into my legislative role, then called upon to respond and answer questions regarding the health and safety of Maine citizens in the wake of concerns surrounding the Ebola crisis. As you all know, a Maine nurse, Kaci Hickox, served as a volunteer in Sierra Leone, West Africa, in an Ebola-impacted area at the beginning of the Ebola crisis. Her return to Maine to join her boyfriend in Fort Kent was not an easy journey and she was faced with many challenges and restrictions once she arrived there. I have always been a proud member of the MMA and admit my pride and respect for our amazing organization was reinforced when MMA members rapidly reacted to the mandates of quarantine imposed on her. In a matter of hours, the MMA was able to write a statement based on scientific medical research outlining what we know about Ebola and what the risks are associated with exposure and potential infectiousness. I have enjoyed this experience over the last several years and was lucky to have a pediatric resident, Mark McGill, M.D. from Portland join me for the day. The Pediatric Residency program at Barbara Bush Children’s Hospital has begun an Advocacy Month for all residents and we look forward to having our physicians in training get involved in advocacy. For the last 20 years, the MMA, in conjunction with the Maine Osteopathic Association, has been able to recruit a Maine physician to serve as physician of the day every day that the legislation is in session. This is an incredible opportunity to be a presence at the State House, meet with your legislators and talk about issues that are important to health care. I encourage everyone to contact Ashley Bernat at the MMA to sign up to serve as Doctor of the Day. If you are interested in speaking with me or on behalf of the MMA, feel free to call me at 207-773-5060 or email at president@mainemed.com, you can also serve as Honorary pages for the day!

As always, please feel free to contact me with any thoughts, comments or concerns. I can be reached by email at president@mainemed.com, my work phone number, 647-4232 or my cell phone number, 232-0594. Be well!

Sue Kring, ACA Outreach Coordinator
For enrollment assistance and information about the Marketplace - online, by phone, and in-person:

Go to the Marketplace website at www.healthcare.gov for information and to apply online.
Meet with a Health Navigator or Certified Application Counselor in your area. Find locations at Maine in a marketplace at www.enroll207.com.
Call the Health Insurance Marketplace Call Center at 1-800-318-2596 for assistance and questions.
Call Consumers for Affordable Health Care’s Health Helpline at 800-965-7476.

Marketplace Outreach and Education for Patients and Physicians: The Maine Medical Association, through an enrollment and outreach grant from the Maine Health Access Foundation, continues to work with primary care physicians to make enrollment information available to patients who are eligible and interested in the Health Insurance Marketplace. If your practice is interested in partnering with MMA in distribution of outreach materials, please contact Susan Kring at skring@mainemed.com or 662-2364. Sue is also available to provide your practice with Marketplace or enrollment updates, connect you with Assistants in your area, or help coordinate marketplace events.

Delivering Health Care or Health? Time for a New Conversation!

In the Institute of Medicine published a critically important but often under-recognized report, U.S. Health in International Perspective: Shorter Lives, Poorer Health. It revealed that Americans experience poorer health than citizens of many other developed nations that spend far less on health care, with the U.S. rated the worst in health status among 16 peer countries. “The tragedy,” write the authors, “is not that the United States is at odds with other countries, but that Americans are dying and suffering from illness and injury at rates that are demonstrably unnecessary.”

The IOM report cites four likely reasons for America’s poor health: inadequate health care systems, individual behavior, the built environment, and social and economic conditions. Importantly, only the first of these falls squarely within the traditional bounds of health care. Recognizing that the identified causes of poor health fall far beyond health care, health care providers must then also recognize that treating physical health care issues falls far short of what is needed to improve health. Does it make sense, then, to test those traditional bounds and expand the definition of health care? Or, to ask what if we as a society were more engaged in the business of delivering health care or delivering health? And for those who believe we are, in fact, in the business of delivering better health, then one must ask, what can physicians do to start, we can change the conversation. While the treatment of the social, economic and environmental determinants of health will be a key job description of most health care providers, we need to recognize the importance of addressing those remaining areas if we are truly committed to improving the health of our patients and our communities. We can agree that we need to look critically at how we are spending our $2.8 trillion each year at health care, and ask if it can be provided more efficiently, and less expensively, freeing up dollars from the health care system that could be redirected to social services – services that often contribute far more to overall health than another CT scan or the latest medication for anxiety.

Additionally, we can recognize the need to improve our skills and better partner with other members of the health care team and community to more effectively support the behavior changes that our patients need to live healthier lives. And we can bring medical professionals to the health and health choices of our communities, working to better understand the fundamental issues of poverty, addiction, and the systems that care for and support our most vulnerable populations, particularly children and older adults.

I encourage you to explore these issues by joining QC’s new monthly webinar series, “Delivering Health Care and Health.” And of course, we encourage everyone to join the conversation by attending the QC 2015 conference on April 10th. I look forward to seeing you there on the theme of “Delivering Health Care or Health.” Additionally, this year’s conference will feature Atul Gawande MD, prominent surgeon, professor, and best-selling author, as keynote speaker. Each year, the QC Annual Conference is the largest health care conference in Maine and QC 2015 is shaping up to be our biggest and best yet. Join us, and be part of the change! 
New Year greetings and I wish you and your families all the best for 2015. Now that the 127th Legislature has re-convened and Governor LePage has presented his budget, our holiday reprieve is certainly over and we are ready to go. On Jan. 1 we welcomed Peter Michaud, J.D., RN to our staff (see announcement on page one of this issue) and already Peter is proving to be a very valuable J.D., RN to our staff (see announcement on page one of this issue). The new Congress has dealt with this perennial issue by March 31 or physician payments under Medicare will be reduced 21.1 percent. The pay cut would take place on April 1 because the Protecting Access to Medicare Act of 2014, signed into law April 1, 2014, provides for a 0 percent change in the Medicare physician fee schedule payments for services furnished between Jan. 1 and March 31, 2015. Lisa Ryan, D.O., our MMA President and I will be in Washington in February to again advocate with our Maine Congressional delegation regarding this issue. Early in 2014, there was a bipartisan, bicameral agreement to repeal the SGR and replace it with a performance – based payment system supported by the AMA and most of medicine. Six key committees and both the House and Senate agreed to the permanent fix. The House passed it but it was never considered by the Senate and instead, Congress passed another “patch” through this March. This was, I believe, the 17th time the Congress had kicked the can down the road without finding a permanent solution. A permanent fix would cost about $140 billion over 10 years according to the Congressional Budget Office and the failure of the party leadership in Washington to agree on how to pay for the cost of the fix is what doomed us last year. There is some discussion now of permanently repealing the SGR and replacing it with the proposal from a year ago, without having to pay for it as the “cost” of repeal is pretty much a fiction anyway. We will do our best for you on this and we understand how much SGR issue “fatigue” there is among you so you will not see us communicating with you aggressively on the issue.

In addition to our advocacy work during these coming months, we will also be working with the Board of Directors to continue to prioritize the work of the Association and we will be reviewing our current membership model to ensure that it is meeting the needs of members and the organization. As always, thanks for your support of MMA and I look forward to another great year. We have closed the books on 2014 with a balanced budget and the most active, dues-paying members we have ever had. We believe we can do even better in 2015.

Please feel free to communicate with me at any time about anything. Best means to do that is through e-mail at gsmith@mainemed.com or by calling me at the office at 622-3374 ext. 212 or on my cell phone at 215-7461.

Stay tuned for additional information regarding linkage of MMA’s improved website and the Baystate MD site, as well as ongoing articles in Maine Medicine by Baystate’s attorneys and specialists on specific planning issues of importance to MMA members.

Time for a checkup?
Physicians Need Protection Too
Philip M. Coffin III
Licensing Issues
Employment Agreements
Jonathan T. Harris
Estate Planning

Fiscal Fitness for Life
MMA and Baystate Financial’s joint initiative Fiscal Fitness for Life is a specific outcome of concerns about physician health and wellness. Baystate has been recognized throughout New England for their leadership in bringing financial education and quality services to the medical community. Besides their work with the MMA, Baystate has also established partner relationships with the Medical Societies in Vermont, New Hampshire, Massachusetts, and Rhode Island, making available their unique array of technical and professional expertise to help address the financial well-being needs of physicians. This coming year the Fiscal Fitness for Life initiative will be getting off to a quick start with a number of events and programs:

» In the next few months, Specialty Solutions will be joining the MMA, Maine Quality Counts and Baystate Financial to host a Doctors’ Lounge event for physicians, focusing on physician well-being as a cornerstone for enhancing patient experience and quality outcomes.
» MMA and Baystate are reaching out to the directors of the residency programs to provide a series of presentations on medical management insurance planning and employment contracting strategies.
» MMA will be hosting a lunch and learn series for MMA staff members, focusing on corporate fringe benefits, basic principles of investing, as well as retirement planning strategies. It is intended that this program will be rolled out and offered to medical practices later in the year.

MMA has negotiated a 20% discount for those members who want to take advantage of Baystate’s Financial Planning services.

Baystate will host a number of seminars throughout the year, the first one being held on April 8th in the Portland area regarding how to maximize the efficiency of your retirement income assets.

There will be ongoing articles in Maine Medicine by Baystate’s attorneys and specialists on specific planning issues of importance to MMA members.

Stay tuned for additional information regarding linkage of MMA’s improved website and the Baystate MD site, webinars, and Brainshark topical presentations.

The 2014 report on US Physicians’ Financial Preparedness conducted by the AMA’s insurance agency covered a wide range of topics. The report revealed three major obstacles to Employed Physicians being more focused on personal financial matters:

» Lack of time
» Lack of expertise
» Lack of a relationship with a trusted financial professional

We feel that by vetting Baystate’s capabilities and providing preferred access to their planning expertise MMA is making significant progress towards our objective of bringing meaningful value to our members.

The AMA Survey can be accessed at: http://www.amanews.com/resourcecenter/employed-physicians-financial-preparedness-report.html

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Information in this newsletter is intended to provide information and guidance, not legal advice. Since exact language and definitions of key terms are critical to understanding the requirements of legislation, rules or laws, we encourage you to read each carefully. Articles submitted to Maine Medicine represent the views of the author only and do not necessarily represent MMA policy.
The Upcoming Conference for Medical Professionals

The Medical Professionals Health Program (MPHP) became a resource for physicians and physician assistants struggling with substance abuse in the mid-1980s. Over the years, the program has grown in both scope and depth. MPHP resources are now available to many more professionals and resources are targeted to assist with general wellness as well as a greater array of mental and physical health issues. As resources continue to evolve in Maine and across the country, the MPHP is key to helping health professionals develop a network of care to meet their specific recovery and mental health care needs.

The MPHP has adopted a strong public health perspective in the past few years, focusing not only on the immediate needs of professionals in recovery, but also on attitudes that keep addiction hidden and the ripple effects that secrecy has on both individual health and patient safety. The MPHP is proactively reaching out to medical staffs, human resource departments, and employers to explain the merits of treatment and monitoring over discipline. Addressing substance use in the workplace is complex and our trained professional staff is available to help.

The MPHP is inviting all health care providers to join us for a comprehensive 1-day wellness conference designed to help professionals, employers, treatment providers and colleagues better understand the factors affecting recovering professionals and provide strategies for creating healthier working experiences for all medical professionals. Substance use illnesses, mental health illness, stress and depression are having a major impact on healthcare practitioners’ safety, focus, decision-making and job satisfaction. This conference will provide valuable continuing education for health care providers, whether treating patients in recovery, looking to enhance your own recovery efforts, or seeking to better understand colleagues struggling with addiction and mental health illnesses.

Speaker and Topics:
Understanding the High Functioning Alcoholic: Breaking the Cycle and Finding Hope
Sarah Allen Benton, MS, LMHC, LPC is a Therapist at Insight Counseling in Ridgefield, Connecticut.

Genetic and Genomic Studies of Addiction in Model Organisms
Elissa Chesler, PhD., Jackson Laboratory.

Physical and Behavioral Health Integration: How Healthcare in Maine is Evolving
Lisa Letourneau, MD, MPH, Executive Director, Maine Quality Counts

Personality Disorders and Their Effect on Addiction and Recovery
Greg, Gable, PhD., Caron Treatment Center

Panels:
>> Intervention in the Workplace: Guidance for Early Intervention and Response
>> The Sigma of Addiction and Mental Health Disorders: Developing Strategies for Resilience
>> Real Life Recovery: Professionals tell their stories from Addiction to Wellness
>> Strategies For Developing Strong Peer Support Networks
>> Activities and Therapies That Support Health and Recovery
>> Family Support Strategies

Please make plans to join us at the Holiday Inn By The Bay on Friday, April 17, 2015 for this ground-breaking educational program. Additional program information, registration links, and sponsorship opportunities are available on the MPHP’s website (www.mainemphp.org). For additional information, contact Cathryn Stratton at cstratton@mainemmed.com or (207)623-9266 ext. 3.

Thanks to 2015 Sustaining Members

Thank you to the following individuals and practices who have shown their support for the MMA’s long-term growth by renewing at an additional sustaining membership level.

Robert Schlager, MD
Cynthia Self, MD
Garrett Martin, MD
Aziz Massaad, MD
Central Maine Orthopaedics
Kennebec Anesthesia Associates
Mayo Regional Hospital

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Stoke is the fourth leading cause of death in Maine. In 2009, there were 640 deaths in Maine and 3,656 hospitalizations due to stroke. Maine has had the highest stroke death rate among all New England states. And stroke is one of the major drivers of health care costs in Maine. Recovery is such a long, slow and unpredictable odyssey. And so many people in Maine are uninsured or underinsured.

There is no book that tells you how to cope, or what to expect, with a stroke, although there are books written about the experience of a stroke—Kirk Douglas’ “My Stroke of Luck” and Jill Taylor’s “My Stroke of Insight,” for instance.

When dealing with stroke, there is no pill that will make it better. No cup of liquor that will comfort you. No roadmap or clock that tells you where or when things will begin to turn, all life’s plans on hold.

The patient is in limbo, and the family is backstaging, waiting attentively with flowers and cheer or prayers and long black coats, ready to make changes, unable to know which way to turn, all life’s plans on hold.

But when the ambulance delivered him to the city ER that night, and the ER staff asked, “Does he have a medical history?” I wanted to say, “Really? Can’t you just punch his name up on the computer? They must have a whole book on him here!” I was not angry with the doc for asking a logical question. But I was angry that here in the USA, in the most advanced country of the world, I couldn’t just hand her a thumb drive from my husband’s wallet, put it into the hospital computer and bring up his entire recent medical history — what meds he was taking; the fact that he had a heart attack; multiple cancer; a colostomy; a prosthetic knee; chronic hypertension; and a previous occasional tibia herniorrhagic cvo. Depending on the memory of a frazzled family member, in such a situation is not the best way to gather important information.

And what happens when there’s nobody there but the patient who’s not competent?

Managing the emotional consequences of a stroke is the most difficult part of the job. I learned that patients do worse when caregivers are depressed, overprotective, or not knowledgeable about the stroke. Patients do best when caregivers and family are encouraging and supportive.

What makes it harder to go through these stages with logic and resignation is the added difficulty of having to figure out who’s going to pay for the medical treatment from one week, one month, to the next. There are deductibles. And copays. And terms of coverage. And there are denials.

During the legislative session, the MMA staff provides links to bills for review and comment, updates on the legislature’s work, and calls-to-action through our weekly electronic newsletter, Maine Medicine Weekly Update. The Legislative Committee conducts conference calls to review new bills and to provide updates on legislative activity every Tuesday evening at 8:00 p.m. during the session. Any interested member or staff person is welcome to participate. Please see each week’s Maine Medicine Weekly Update for conference call information.

To find more information about the MMA’s advocacy activities, visit the Legislative & Regulatory Advocacy committee assignments, legislator contact information, audio coverage of legislative work, and newly enacted laws on the web at: http://legislature.maine.gov.

The MMA welcomes your participation in our legislative advocacy activities. For more information, please contact Andrew MacLean, Deputy EVP & General Counsel, at amaclean@mainemed.com.
Increasing Mainer’s Access to Healthcare

MMA’s Public Health Committee has designated access to healthcare as one of its priorities for 2015. During 2014, access to care changed for many Mainers. On the bright side, thousands who had previously been left out of our system are now newly insured and able to access healthcare.

Regrettably, there is another side to the story. Maine is one of only two states in the country where the numbers of uninsured have actually increased - from 130,000 up to approximately 147,000 people in Maine. And, although nearly 50,000 Mainers are enrolled in health insurance plans through the exchange, many of those individuals, plus thousands more in employer-sponsored group insurance plans are underinsured. In a low-income state like ours, with a high percentage of individuals choosing “bronze” plans and with more employers offering high-deductible plans, an estimate of 200,000 underinsured Maine people is probably conservative.

The insured or underinsured are often unable to access healthcare due to cost. They do not fill prescriptions, or they do not take them as prescribed. They delay getting necessary treatment, and the treatment they do get is marginal. This can be catastrophic. It is reliably estimated that for every 1,000 uninsured, one person will die each year due to inability to access timely medical care. We add in nearly 41% (of uninsured Mainers) reported barriers to getting dental care and over one-third reported foregoing needed medical care because they couldn’t afford it. [See more at: http://www.mehaf.org/news/2014/03/26/statewide-survey-finds-mainers-struggled-pay-health-care-costs#https://N75aGHD6dpuf]

In countries with universal healthcare, access problems are significantly less, and healthcare costs are about half of those in Maine. With the increasing trend toward “bronze” high-deductible underinsurance, and den prospects for Medicaid expansion, many physicians and health professionals in Maine and elsewhere are stepping up their activism for universal healthcare. Dr. Donald Berwick, former Medicare chief, garnered 21 percent of the Massachusetts Democratic primary vote with his single-payer platform. Despite the recent setback in Vermont’s efforts to achieve universal access, single payer forces in Vermont are already rallying to reverse their governor’s decision to abandon this effort. A 2014 MMA poll showed that 64.3 percent of Maine physicians would prefer a single-payer system such as a ‘Medicare for all’ approach. Last year, several physicians went to the Maine Legislature to testify in support of universal healthcare. Maine AllCare, a chapter of Physicians for a National Health Program, has almost 900 supporters, many of them physicians. The virtues (including universal access), the value, and the simplicity of a publicly financed single-payer approach continue to have broad popular appeal. Please join me and other MMA physicians in our advocacy for universal healthcare.

Editor’s Note: The opinions expressed above are the opinion of MMA member Julie Pease, MD. MMA members with concurring or opposing opinions are welcome to share them with MMA for possible publication in future issues of Maine Medicine. Comments and articles (please keep your articles under 600 words) may be shared with Shirley Goggin at ssgoggin@mainemedia.com.

Nearly 50,000 Mainers in exchange - http://www.mainemedical.org/maine-state-health-insurance-exchange/

Medical Mutual Insurance Company of Maine Risk Management Practice Tip: Brochure/Practice Information Handout

A patient brochure is an effective means of informing patients of the practice’s office policies and background information on physicians/providers. Educating patients on services, practice operations, and physician/provider responsibilities, as well as patient expectations, enhances patient relations and satisfaction. Consider including the following information in your patient brochure:

- Your practice philosophy and goals in the form of a welcome statement.
- Professional information about each physician/provider, i.e., undergraduate and medical schools, residencies, special training, board certifications and the length of time in practice.
- Specialties offered and scope of practice for each specialty.
- Office guidelines and policies:
  - Office hours:
    - Days of the week the office is open and closed.
    - How to seek care in the event of an urgent/emergent situation when the office is closed:
    - List a telephone number for on-call coverage.
    - Specify calling 911 (or local EMS number) in the event of an emergency.
  - Appointment policies clearly addressing:
    - Scheduling.
    - Missed (no-show) appointment.
    - Canceled appointment.
    - Same day appointment.
    - Late arrival for an appointment.
    - Cause for termination.
- Method of communication of test results.
- Prescription refill process:
  - List a prescription refill telephone number.
  - Billing questions:
  - Where to direct questions.
  - List a billing telephone number.
  - Clarify telephone procedures:
    - Special telephone hours, if available.
    - Patient message retrieval and when to expect a return call.
  - Describe your fee schedule, financial policy, billing policies and the use of collection agencies. Clarify your policy regarding when payment for service is expected, and the arrangement of payment plans.
  - Describe insurance agreements and policies. Explain staff involvement in preparing and processing insurance claims.
  - Provide a map with clear, simple directions to the practice.
  - Include an invitation asking patients to actively participate in their own care.
  - Website address, if applicable.
- You are in the best position to determine what form, style and topics are most appropriate for your practice information document. Design your booklet to reflect your practice.
- Design options include a pamphlet, brochure or information sheet format.
- Solicit staff suggestions in identifying problem areas requiring clarification. When relating your policies, approach your explanation from the patient’s perspective, thereby expressing your concern for the patient.
- Set a personal tone by using the “you” form rather than “our patients,” e.g., “We want you to know how to…”
- Consider the size and type of font; select a clearly legible type style.
- Write the brochure in plain language; avoid clinical information.
- Determine the number of documents to be printed. A six-month supply allows you the option of making revisions.
- Distribute your practice information document to new and established patients.
- Use your brochure as a vehicle to educate patients. Review information with new patients and changes with established patients.
- More practices are choosing to inform patients of their key services, physician/providers, office staff, policies, patient education, forms, and contact information on an Internet-based website. Providing and maintaining an informative user friendly website for potential and existent patients promotes good communication practices. Place the same information described in the patient brochure on your website.

Medical Mutual Insurance Company of Maine’s “Practice Tips” are offered as reference information only and are not intended to establish practice standards or serve as legal advice. MMIC recommends you obtain a legal opinion from a qualified attorney for any specific application to your practice.
Specialty drugs are expensive—according to Express Scripts, they accounted for less than 1 percent of all prescriptions in 2011, but about 25 percent of all prescription drug spending. And costs are only going up—with new drugs coming on the market and price increases for existing drugs the impact of the cost of these medications will continue to grow. In light of these trends, new treatments for Hepatitis C, including Sovaldi, Harvoni, and Victrelis have put programs in place to control the usage of Sovaldi.

Sovaldi (sofosbuvir) is a drug used to treat Hepatitis C, sold by Gilead. Sovaldi was approved by the FDA in December of 2013. When used in conjunction with other drugs (ribavirin or peginterferon) it is 90% effective in curing the patient. Sovaldi is indicated in genotypes 1, 2, 3, and 4. Hepatitis C is a progressive disease that ultimately can cause severe liver damage, leading to the need for a liver transplant. According to the CDC, in 2009 there were an estimated 16,000 acute Hepatitis C virus infections reported and an estimated 3.2 million persons with a chronic Hepatitis C virus infection. Hepatitis C is spread by blood to blood contact. Before screening of the blood supply began in 1992, blood transfusions were a major source of infection. Today most infection comes from sharing needles.

Sovaldi was the first in a new generation of Hepatitis C treatments. The second, Harvoni was approved in October, and like Sovaldi, is sold by Gilead. The third and newest of them all Viola Pak (from AbbVie), and even more are on the way.

Pricing

Sovaldi is priced at $1,000 a pill or $84,000 for a typical course of treatment. Note that this is the cost for Sovaldi only; the drugs needed in conjunction with Sovaldi are priced separately.

There is no doubt that this is an expensive drug. Gilead has been sharply criticized for its pricing of the drug. In response, Gilead, and others have argued that when considered in context, Sovaldi is a “good deal” (this in addition to the usual responses about research costs).

The context includes the fact that if unchecked, Hepatitis C can be a serious condition. There are over 165,000 people infected in the United States of whom 25,000 are in the state of Maine alone. Without treatment, Hepatitis C results in cirrhosis and can be fatal. It is estimated that Hepatitis C is a cause of 16,000 deaths per year in the United States.

According to a recent survey by Vahid & Associates “The Hepatitis C Squeeze: High Costs Force Tough State Decisions,” other states have even more stringent controls. Illinois requires prospective patients to meet twenty-five different criteria and receive prior authorization for Sovaldi. Once prescribed, Illinois will only dispense Sovaldi for two weeks at a time with refills being available every two weeks for a total of 12 weeks while in Louisiana, patients may only receive 28 units of Sovaldi once every 28 days.

Additionally, some states have implemented the so-called “once in a lifetime” rule, which allows Medicaid patients only one chance at treatment with Sovaldi. Arizona is one example of a state with such a requirement. Alaska and other states do not allow retreatment within a certain period, for example, two years.

Note that treatment does not make one immune from future infection leading to the “once in a lifetime” rule imposed by Arizona and others.

Looking forward

Sovaldi was the first of a new generation of drugs that in some cases can treat Hepatitis C without Interferon (which can have extreme side effects).

In October 2014 a second drug was approved by the FDA for treatment of some forms of Hepatitis C. Harvoni (ledipasvir/sofosbuvir) is a single pill treatment containing Harvoni and another drug manufactured by Gilead. While Sovaldi was priced at $84,000 for a 12 week course of treatment, Harvoni will be priced at $94,500 for a 12 week course. Where appropriate, (genotype 1) the total cost of treatment will be less than with Sovaldi since additional medications are not required. Additionally, about 45% of patients may qualify for an 8 week course of treatment, further reducing the cost.

Since its introduction, Harvoni has been wildly popular surpassing Sovaldi’s initial sales records. Eight weeks into Harvoni’s launch, CVS Health reported that the new drug was being prescribed at rates 2.5 times higher than Sovaldi was at the same point into that drug’s launch.

The most recent entry from AbbVie is an alternative but has some drawbacks compared to the Gilead drugs—it requires four pills a day (vs. one) and requires an additional drug that sometimes has severe side effects. Still for many, this can be as effective as the Gilead entrants.

There are several additional drugs that are in Phase III testing (one of which, Daklinza was approved in Europe in September). Many of them also work without Interferon and are effective on all genotypes. These will forever change the way Hepatitis C is treated.

As this newsletter is being prepared for publication, there are developments on the pricing front as first AbbVie and then Gilead signed deals with pharmacy benefit managers providing significant price breaks in exchange for category exclusivity.

First Express Scripts and AbbVie struck a deal requiring Express Scripts customers try the AbbVie entrant before others. Then CVS Health and Gilead struck a deal that it CVS Health would make Gilead’s drugs, Harvoni and Sovaldi, the exclusive option for patients on its commercial drug list, as well as for patients it manages on health care exchanges, Medicare Part D and Medicaid.

Express Scripts has quoted 30 percent to 33 percent of the U.S. pharmacy benefit management market, and CVS 27 percent to 30 percent, according to Robyn Karnauskas, an analyst with Deutsche Bank.

While these deals do allow for exceptions whereby other drugs would be covered, the process for gaining those exemptions will not doubt be easy. It is also unclear how new entrants in the category yet to be approved will factor in. The only certainty is that access to and pricing of these drugs will continue to be of concern.

2014 Maine Physicians Action Fund (MPAF) Contributors

The Maine Physicians Action Fund (MPAF) and its counterpart the American Medical Association Political Action Committee (AMPAC) help ensure that the voice of medicine is heard and effectively represented in the State Legislature and in Congress.

We would like to thank these Maine physicians and staff who supported our political action committee in 2014 and understand its importance to both their patients and their practice.

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