

Physician Advisory Board Meeting of November 17, 2006

The Aetna Physician Advisory Board met on November 17, 2006 in Dallas, Texas. This was the Board's sixth face-to-face meeting since its inception in late 2003. The Board is scheduled to meet again in May 2007.

Board members Drs. Troy Brennan, William Gee, Scott Hayworth, Robert Harrison, Russell Libby, Leonard Lichtenfeld, Diane Wallis and Michael Workings attended. Dr. Stanley Goldfarb did not attend.

Also attending for Aetna were Drs. James Cross and Patricia Mueller, Paul Marchetti, Amanda St. Amand and Karen Upchurch, and attending for Aetna by phone were Elizabeth Curran, Robert Stillman and Thomas Young.

Dr. Brennan welcomed the Board members and introduced Dr. Michael Workings. Dr. Workings fills the position created by the resignation of Dr. Oblath.

Vaccine Pricing

Dr. Cross updated the Board on the issue of vaccine pricing items. He provided an example of how a physician purchasing small amounts of vaccine could have a higher cost than the reimbursement rate, observed that physicians have the ability to work with local Aetna network personnel when issues arise, and noted recent changes to pricing which have partially addressed the concerns.

Drs. Libby and Harrison expressed concerns that despite recent price increases Aetna's reimbursement rates are lower than those of other major health carriers. They also voiced concerns about pharmaceutical companies' aggressive treatment of physician offices, and encouraged Aetna to consider steps it might take to assist physicians in that relationship. Dr. Brennan asked whether pediatric professional societies or others have comprehensive data or studies assessing the issue.

Drs. Cross and Harrison agreed to convene a small workgroup to review and make recommendations on issues related to pricing.

Radiology Benefits Management Solutions

Mr. Marchetti reviewed initiatives by Aetna in the area of radiology benefits management (RBM). He reviewed statistics regarding the rise in utilization and costs for radiology services, explained the role RBM vendors play in promoting cost effective use of these services, and explained Aetna's current plans in this area.

Board members raised numerous questions and concerns regarding the administrative costs associated with precertification through RBM's and the

clinical appropriateness of precertification criteria. Mr. Marchetti outlined plans to adopt a “gold card” program to minimize administrative burdens for certain physician practices with high volumes and low denial rates for radiology studies and explained that much of the cost savings results from steering of radiology studies to Aetna network providers rather than denials of the proposed service. Dr. Harrison encouraged Aetna to explore an Internet-based automated precertification approach as a process to lower costs for both physicians and Aetna.

A number of follow-up items were discussed, including certain study work that may be appropriate for funding consideration by the Physicians Foundation for Excellence Foundation.

Reproductive Endocrinology - Modifier 26, and IMRT

Dr. Cross discussed questions regarding reimbursement for specified reproductive endocrinology codes when billed with Modifier 26 and the criteria for coverage of IMRT in treatment of certain cancers. In response to Dr. Brennan’s question to the Board whether Aetna’s coverage criteria regarding IMRT are consistent with current standards of practice, Dr. Lichtenfeld expressed a view that Aetna’s criteria appear reasonable.

Neonatal Intensive Care Unit Payment

Dr. Cross discussed questions regarding billing for the management of NICU patients. Dr. Cross articulated why Aetna believes that its current reimbursement policies in this area, which reimburse one but not two physician practices for the intensive NICU care, are appropriate.

Doppler Color Flow Velocity Imaging

Dr. Cross updated the Board on the issue of color-flow Doppler echocardiography, reporting that Aetna has revised its reimbursement policy in response to discussions with the American College of Cardiology (ACC). Dr. Cross explained that Aetna anticipates further discussion with ACC, which may result in further policy changes. In ensuing discussion, concern was raised generally about physicians’ ability to obtain payment for studies intended to confirm or rule out possible conditions. Dr. Brennan stated that Aetna would give further consideration to this question and the possibility for a follow-up conversation with the ACC.

Surgical Procedure Discounts

Dr. Cross explained Aetna’s reimbursement policies for multiple surgical procedures. He explained that for a few procedures the current software tools do not result in the correct CPT code being identified as the primary code for purposes of applying the multiple procedure reimbursement rules. There was discussion about efforts to address the issue and recommended solutions. Dr. Cross will follow-up with McKesson regarding the affected codes.

Monitored Anesthesia Care (MAC) for Endoscopy

Dr. Brennan discussed potential changes to Aetna's policy regarding monitored anesthesia for endoscopy (MAC). Consistent with the views of The American College of Gastroenterology (ACG), Aetna has concluded that it is not medically necessary in routine cases to use propofol, which requires monitoring by an anesthesiologist. The majority of Board members did not find any reason to disagree with the views of the ACG and that Aetna's reliance on the ACG guidelines was reasonable, and also expressed views concerning other factors, including patient comfort.

RelayHealth Overview

Mr. Marchetti then provided an update regarding Aetna's relationship with RelayHealth concerning reimbursement for online visits. Board members raised questions regarding costs to physician offices and integration with physician's EMR's, and encouraged Aetna to consider establishing a relationship with other vendors offering services comparable to RelayHealth. Board members also suggested that a clinician's note page is needed at the end which summarizes medications, allergies, symptoms, recommended treatment.

Personal Health Record

Dr. Brennan explained Aetna's Personal Health Record (PHR) initiative. He described the information that will be available in Aetna's PHR and drew comparisons with information available in EMR's. Dr. Brennan sought Board members' views as to whether they would find PHR's useful in their practices. Comments from various members emphasized the importance of portability by the patient and compatibility with various information technology systems, interest in a summary page and the ability for the physician to enter data, and the usefulness of having the ability to obtain data from multiple insurers.

Care of the Complex, Chronically Ill Patient

Dr. Libby then discussed care of complex, chronically ill patients. He summarized deficiencies in the current care and payment systems, and expressed skepticism about initiatives that have been proposed to date (e.g., disease management, case management, pay for performance). Dr. Libby then discussed more holistic care models, including home-based care and house call programs, and summarized cost savings realized through such programs. He encouraged Aetna to support geriatric training in medical education, support pilot programs and payment policies supporting emerging alternatives to traditional care models. Dr. Brennan expressed interest in exploring pilot programs.

Support for Primary Care

Dr. Brennan then provided an update concerning Aetna's efforts to support primary care, including discussions that Aetna has had and plans to have with leading primary care specialty societies. Board members noted the degree to which primary care physicians are turning to a concierge practice and are declining to accept new Medicare patients.

Compliance Update

Mr. Young then provided an update regarding disputes concerning Aetna's compliance with the physician class action settlement agreement. Mr. Young reported that all substantive disputes discussed at the prior meeting have been resolved. During the course of the discussion, Board members urged Aetna to further liberalize its policy regarding reimbursement for dipstick urinalysis.

Physician Advisory Board Mailbox Submissions

Dr. Cross and Ms. Curran then reviewed items submitted through the physician mail box which Board members selected for discussion. Dr. Cross summarized coverage criteria for insulin infusion pumps and confirmed that Aetna provides coverage for the Gardasil vaccine under plans that cover preventive services. Regarding reimbursement for bone mass measurements, Dr. Cross clarified that the denial message for the specific codes questioned should communicate that Aetna considers these services to be experimental.

Ms. Curran then discussed questions regarding contracting policies for nurse practitioners. She explained that whether those providers are listed as primary care providers is a matter of local law and contracting practices.