

IAOS news letter

A PUBLICATION OF THE ILLINOIS ASSOCIATION OF ORTHOPAEDIC SURGEONS

VOLUME 12, ISSUE 1



William Robb, MD; Steven Haddad, MD; William Payne, MD; Michael Schafer, MD; Chris Dangles, MD; Sherwin Ho, MD; and Steven Rabin MD gather after Congressional visits at AAOS' NOLC.

200 Orthopaedic Surgeons Lobby Reps in Washington

THE 2004 NATIONAL ORTHOPAEDIC LEADERSHIP CONFERENCE (NOLC) was held in Washington, D.C. from April 28-May 1, 2004. Close to 200 orthopaedic surgeons were in attendance. During the Conference, attendees visited their representatives and senators to discuss legislative efforts to

address the medical liability crisis and to correct the Medicare physician payment formula. Over 200 congressional offices were visited where orthopaedic surgeons requested representatives and senators to 1) send a letter to the Centers for Medicare and Medicaid Services (CMS) Administrator, Mark McClellan, MD, PhD, asking for administrative changes in the Medicare physician fee schedule formula and 2) sign the Doctors for Medical Liability

Reform (DMLR) Pledge in support of federal liability reform legislation that includes an effective cap on non-economic damages. Several members of Congress signed and returned the DMLR pledge during the office visit and other congressional offices have let the AAOS Washington Office know that they have placed a signed pledge in the mail. AAOS will continue to track the letters to CMS and the number of

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IAOSTRENDS

NATIONAL ECONOMIC ISSUES IN HEALTH CARE

PHYSICAL THERAPY ASSOCIATION ATTEMPTING TO PROHIBIT PTS FROM WORKING FOR PHYSICIANS

THE AAOS HAS BECOME AWARE OF a nationally coordinated campaign by the American Physical Therapy Association (APTA) to eliminate Physician Owned Physical Therapy Services (POPTS). POPTS occur if a physical therapist is employed by a physician or works in a therapy practice that is owned by physicians. In response to a resolution passed at their annual meeting APTA created a task force to examine ways to eliminate POPTS in the country.

The APTA Task Force reviewed the fifty state physical therapy practice acts and identified eight with existing language that they think can be interpreted to prevent a physical therapist (PT) from accepting a referral from a physician who employs them (or has a financial interest in their practice). The eight states we believe they identified are: AR, AZ, DE, FL, LA, SC, TN and WY. Missouri has already interpreted its self-referral law to forbid referrals to PT employees as well as to outside PT practices in which the physician has a financial interest.

In March 2004 APTA asked two state legislators in South Carolina

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IAOS newsletter

The Newsletter is a publication of the Illinois Association of Orthopaedic Surgeons. Views expressed by various authors are not necessarily those of the IAOS.

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For information, contact the IAOS at 312/263-7150.

What Have We Done For You Lately?

JOSE PEREZ-SANZ, MD
IAOS PRESIDENT

AS THE NEW PRESIDENT OF OUR SOCIETY, I WOULD LIKE TO QUESTION ITS value to the orthopaedic surgeons of Illinois. What is the use of another society when the AAOS is already speaking on our behalf, helping us continue our education and keeping us to date? Why spend more hard-earned money on dues? Why attend still more meetings?

In our current difficult climate for the practice of medicine, the Illinois Association serves and supports its members in many ways. In the national arena, our association works closely with the AAOS; currently we are helping

to achieve medical liability reform and to correct the Medicare payment formula to a more sensible and fair status. Nationally, our delegation to the National Orthopaedic Leadership Conference in Washington DC was instrumental in maintaining the validity of the office portion of practice expense as part of Medicare reimbursement. Our members lobby Congress on behalf of the interests of orthopaedic surgeon members and our patients.

IAOS advocacy efforts on behalf of all Illinois orthopaedic surgeons are most effective in state government. Legislation is reviewed that may harm our practices and our patients' well-being. ISMS lobbyists routinely assist with this process. Present threats come in the arenas of physical therapy and Workers' Compensation. Physical therapy groups are making efforts to obtain autonomy from physicians in caring for our patients. Aside from any economic repercussions due to patients potentially exhausting their physical therapy allotment, this exposes the patients to the risk of receiving therapy care which is not medically appropriate.

A move is also underway to "reform" the Workers' Compensation system, potentially imposing restrictions on

which orthopaedic surgeons would be eligible to care for patients as well as restrictions on billing for the care of these patients. This does not take into account the particular difficulties and problems we face in caring for these patients. Our Association continues to attempt to have meaningful and constructive input into legislators' decision-making. We encourage all members to become involved in our grass roots political efforts by establishing relationships with their legislators.

Although the current political climate for significant medical liability reform in our state is not favorable, we continue to work with AAOS in our efforts to attain reform at the more meaningful, and stronger, national level.

How can we improve what we do? We need help from YOU. Please get involved. Please call or write your legislators. Please talk to your patients. Please encourage your colleagues to join IAOS. Please tell us how else we may help you. **n**

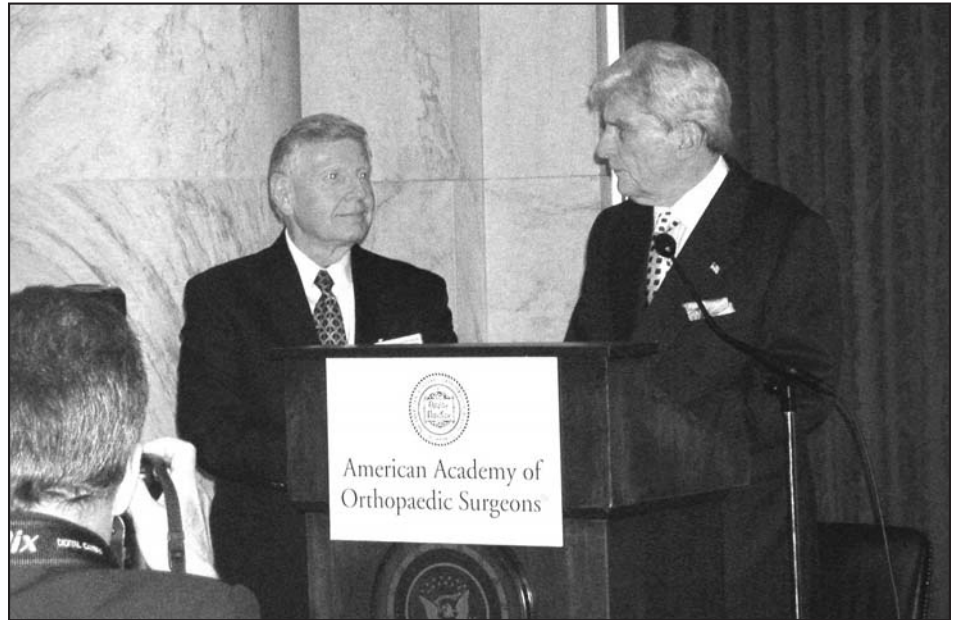
Surgeons in Washington

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pledges signed.

Numerous members indicated during their meetings with NOLC participants that they support comprehensive medical liability reform that includes a cap on non-economic damages regardless of whether they decided to sign the pledge. Senators supporting medical liability reform expressed frustration about the blocking of consideration of reform legislation.

Several members of Congress and a candidate for the House of Representatives were featured speakers during the Conference. On the first evening of the Conference, Representative Charlie Norwood (R-GA), a dentist and member of a key committee with which AAOS frequently works, introduced Tom Price, MD, an orthopaedic surgeon and Republican candidate for the House from Georgia. Representative Phil Gingrey (R-GA), an obstetrician/gynecologist, spoke to participants of the Leadership Fellows Program about how to get involved in political leadership positions. Senator



Robert Nirshi, MD and Senator John Warner (R-VA)

John Warner (R-VA), Chairman of the Senate Armed Services Committee, was the keynote speaker at the "Legacy of Heroes" reception. Finally, Representative Pete Stark (D-CA) participated in a panel discussion titled "Future of Single Specialty Hospitals and Ambulatory Surgical Centers."

The Illinois Delegation included: Chris Dangles, MD; Steve Haddad, MD;

Sherwin Ho, MD; Steve Rabin, MD; William Robb, MD; Michael Schafer, MD; William Payne, MD and Marsha Hagney Holub, IAOS Executive Director. The group visited staff for the following Congressmen: Representative Mark Kirk, R-10; Representative Danny Davis, D-7; Representative Jan Shakowsky, D-9; Representative Tim Johnson, R-15; Representative Judy Biggert, R-13 and Representative Bobby Rush, D-1.

The group also had the unexpected pleasure of meeting directly with Senator Richard Durbin. The group was waiting in Senator Durbin's office for a scheduled meeting with his staff when Senator Durbin walked by and greeted the group, inquiring about their affiliation. Upon learning that the delegation was comprised of orthopaedic surgeons, Senator Durbin invited them in for a spontaneous and extensive exchange on the issues, particularly as it related to medical liability reform. **11**



Steven Haddad, MD; Michael Schafer, MD and William Payne

IAOS Trends

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(S.C.) to approach the S.C. Attorney General (AG) for an Opinion interpreting the S.C. Physical Therapy Practice Act. The AG concluded that the statute allows the S.C. PT Board to discipline a PT for accepting a referral from a physician employer or physician investor in the PT practice.

After the PT Board passed a rule taking away the licenses of PTs who accept referrals from an employer/investor physician, two lawsuits were filed to overturn the rule. The physicians and like-minded PTs won a temporary injunction against the rule and arguments in the case will be heard soon.

In 2002 the AG in Delaware issued a similar opinion interpreting the Delaware PT Practice Act to allow discipline of PTs who accept referrals from physician employers or physician owners.

An organization has been created for PTs who work in physician-owned practices, called the Ethical PT Association. This organization is an alternative for PTs who do not agree with the policy of APTA. There is a lot of good information on the issue of POPTS on their web site, www.ethicalpt.org.

This will be an ongoing issue over the coming year as the PT chapters around the country try and take away the right of PTs to work for physicians or in physician-owned practices. **n**

AAOS Expert Witness Program

BY WILLIAM J. HOLT, MD

AS MANY OF YOU ARE ALREADY AWARE, YOUR AAOS (IN RESPONSE TO the expressed wishes of the Fellowship) has instituted a multifaceted Expert Witness Program, as part of the AAOS effort for liability reform. The program, which is still in development, is to be overseen by the Committee on Professional Liability. At a recent meeting at AAOS headquarters in Rosemont, IL, committee members (including Richard Geline MD and me, both from IAOS) heard an update on the status of the program from Kathleen Delaney, Program Coordinator, and Richard Peterson, AAOS General Counsel. Some element of the program are already in place, including:

- 1. An agreement with IDEX, a registry for research on expert witnesses.** For a small fee, AAOS members can receive information as to prior testimony by a "hired gun" expert, which may help you and your attorney prepare your defense.
- 2. Expert Witness testimony clearinghouse.** Members can submit depositions and/or court testimony to be kept on file and provided to other members for review. Again, this information may help in preparation of defense arguments. Also, as more plaintiffs experts realize that what they say is being noted, they may be more careful about their accusations.
- 3. A physician oversight committee has been formed to work with state orthopedic societies on legislative and regulatory initiatives regarding expert witness testimony.** An important point is to establish in all states that expert witness testimony is part of the practice of medicine, and therefore subject to discipline by state boards. This is not currently true in most states.
- 4. You have probably already received your Expert Witness Affirmation Statement,** which attests to ethical principles in expert witness testimony. Several thousand AAOS members nationwide have already sent theirs in.

What may be the most important part of the program is still "Under Construction"—The Expert Witness Testimony Assessment and Disciplinary System. By the time you read this, the AAOS Board will probably have approved the system, but it will take amendments to the AAOS bylaws to implement the process, which would have to be voted on at the next Annual Meeting. Assuming these bylaws changes pass, the system would probably start Summer 2005.

There is button on the AAOS Website that takes you to the Expert Witness Program, so you can find out more about the program it develops, and an Email address (aaosexpertwitness@aaos.org) to contact the program directly. **n**

Two Resolutions Introduced at the NOLC

CHRIS DANGLES, MD
AAOS COUNCILOR

THE POLICIES OF YOUR ACADEMY ARE OFTEN INITIATED BY THE RESOLUTION process. Resolutions can be proposed by an association fellow and signed by twenty other fellows or proposed by the president and the majority of the board of a state orthopaedic society. The expert witness program, launched by the AAOS at the 2004 Annual Meeting, was initiated by a resolution proposed by the Florida State Orthopaedic Society in 2002. The April issue of the *AAOS Bulletin* describes this program in detail.

Your IAOS introduced a resolution asking for reimbursement for orthopaedic surgeons participating in Level I and II trauma centers in 2001. The AAOS has supported fair reimbursement in its policies. I now receive \$500.00 for every Level I trauma contact on call at our Level I Trauma Center in Urbana, Illinois. The trend for reimbursing Level I trauma surgeons is increasing throughout the country.

Resolutions introduced at the Spring National Orthopaedic Leadership conference included the following:

- Board of Councilors internal resolution – introduced by Brian Ziegler, MD and the Florida Orthopaedic society proposes a bylaws change to make BOC resolutions that have a 80% affirmative vote binding and thus be presented directly to the membership for voting. This is an effort to speed the process of establishing policy. The example cited in their argument is the approval of the expert witness program resolution in October 2002 by the BOC and the program not being implemented until 2004. This resolution generated considerable debate but is progressing through the system. The general consensus appears supportive of the current AAOS resolution process as it has been adopted and modified

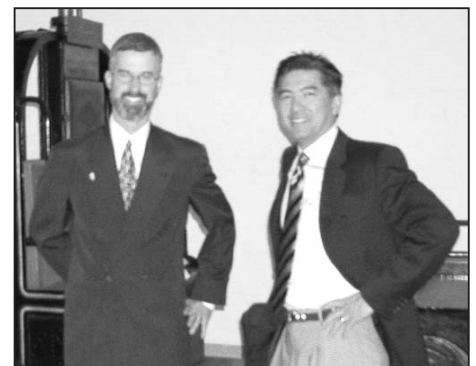
over time—that is, submission of the proposed resolution by September 1, consideration by the Board of Councilors (and as appropriate by COMSS) at its Fall meeting; consideration of Board of Directors at its December meeting; consideration by the AAOS Resolutions Committee and the business meeting during the Annual Meeting, and then a vote by the Fellowship via written, electronic or faxed ballots.

- The California Orthopaedic Society recommended that the AAOS lobby at the federal level to encourage the United States Congress to rectify the unintended consequences of the Health Care Quality Improvement Act of 1986(HCQIA). These steps would included defining and establishing a uniform definition of the term “disruptive physician;” determining the validity of labeling and reporting a “disruptive physician” in the context of the HCQIA; and encouraging the institution of a fair hearing process to clear a National Practitioner Data Bank (NPDB) report if the “disruptive” physician is exonerated judicially or by the state medical board. **□**

NOLC Capital Hill Report

SHERWIN HO, MD
AAOS COUNCILOR

CHRIS DANGLES, SHERWIN HO, AND Jay Fisher, JD, AAOS Legislative Analyst, attended Senators Durbin and Fitzgerald’s weekly constituents’ breakfast on Capital Hill, Thursday morning during the NOLC, as representatives of IAOS. The visit proved to be well worth the trip as both senators were present, and were readily engaged in this casual setting. Because there were only about twenty other visitors, the majority being a visiting junior high class from Chicago, we were able to ask the senators about their views on medical liability reform. As in the past, Senator Fitzgerald reaffirmed his support for reform and caps on non-economic damages. It was then encouraging to hear Senator Durbin speak at length about the current physician access crisis downstate caused by rising medical liability costs, and the urgent need for reform. However, he stopped short of describing any concrete plans for action, and specifically said that caps were “off the table” at this time. After the breakfast, Senator Fitzgerald greeted us warmly, remembering Jay from his time working on his Illinois campaign some six years ago. **□**



Jay Fisher, JD, Legislative Analyst, AAOS and Sherwin Ho, MD after attending a “constituents’ breakfast” with Senator Dick Durbin.

AAOS Prepares for the Medicare Five-Year Review

THE MEDICARE FIVE-YEAR REVIEW OF RELATIVE VALUE UNITS (RVU) IS AN important process that examines the adequacy and relativity of payment rates under the Medicare physician fee schedule. The AAOS is an advocate for orthopaedists across the country, but in order to be effective, it will need your help over the next year.

In 1992, the Centers for Medicare and Medicaid Services (CMS) established a fee schedule for Medicare that standardized payments to physicians using a resource-based relative value scale (RBRVS). Under RBRVS, every medical service is assigned an RVU that reflects the relative costs of resources

required to provide that service. CMS updates the Medicare physician fee schedule on an annual basis.

To ensure that organized medicine would have input into the annual update process of the Medicare physician fee schedule, the American Medical Association and the national medical specialty societies formed the RVS Update Committee (RUC). The RUC's primary mission is to provide RVU recommendations to CMS for new or revised services in the Medicare physician fee schedule.

Over the past decade the RUC has submitted more than 3,000 RVU recommendations to CMS through the annual update and CMS has accepted more than 90 percent of these recommendations.

In addition to annual updates to the Medicare fee schedule, CMS and the RUC conduct a comprehensive review of RVUs every five years and make any needed adjustments to the fee schedule. The five-year review process presents an opportunity to improve the accuracy and relativity of the RVUs listed in the fee schedule because it gives medical specialty societies the opportunity to identify undervalued services within the Medicare fee schedule.

Since the inception of RBRVS, there have been two five-year review cycles. In 1997, CMS and the RUC evaluated more than 1,000 services and procedures in the fee schedule. In 2002, more than 800 medical services were evaluated. In both cycles, the AAOS was able to increase the RVUs for a number of musculoskeletal procedures.

The AAOS has already begun preparing for the next five-year review, which is scheduled to begin in November 2004 and will end in January 2007. The AAOS Health Care Financing and CPT and ICD Coding Committees are currently identifying undervalued musculoskeletal services within the fee schedule. They are also examining musculoskeletal services that may be targeted for review by CMS as overvalued services.

Over the course of the next year, AAOS members will be asked to help in collecting data on musculoskeletal procedures commonly performed by orthopaedic surgeons through a series of RUC five-year review surveys. These surveys look for information on how long it takes to perform a procedure and how many postoperative visits (both hospital and office) are associated with a procedure. Some surveys may ask you to compare the intensity and difficulty

of two procedures in relation to one another.

The data collected from these surveys will be used to develop recommendations that defend Medicare reimbursement rates for musculoskeletal procedures. If you receive a survey, it is vitally important for you to complete it because Medicare reimbursement rates for the surveyed procedures might decrease if the AAOS cannot collect sufficient data.

The RUC survey process is an extremely important part of both the annual update and the five-year review process. It is the primary method that specialty societies use to develop RVU recommendations. Because these recommendations directly impact your Medicare reimbursement, the AAOS strongly encourages you to sign-up for the RUC survey process. If you want to help simply give me a call or send an e-mail expressing your willingness to participate.

Daniel H. Sung, JD, is a policy analyst in the AAOS Department of Socioeconomic and State Society Affairs. He can be reached at (847) 384-4320 or via e-mail at sung@aaos.org

Assistance to State Societies with Practice Management Activities

AAOS offers assistance and support to state societies in connection with their practice management education activities. Steven Fisher, MBA, Manager of Practice Management Affairs, possesses an MBA in Finance from the University of Chicago plus ten years of experience as a consultant and a practice manager. Mr. Fisher is available to participate in audio and on-site conferences on issues such as group practice strategic planning, HIPAA, fraud and abuse, strategies for additional income generation and techniques for managing expenses. For more information, contact Steven Fisher at 847/384-4331 or sfisher@aaos.org.



IAOS is Part of the AAOS Medical Liability Reform Campaign

The IAOS Represents YOU in Springfield and Washington, D.C.

BY STEVEN I. RABIN, MD
IAOS PRESIDENT-ELECT

IT IS NOT NEWS TO ORTHOPAEDIC SURGEONS IN ILLINOIS THAT WE ARE IN the middle of a medical liability crisis. What might be news to many Illinois Orthopaedic Surgeons is that the Illinois Association of Orthopaedic Surgeons is their voice in Springfield and in Washington D.C. Many Orthopaedists in Illinois remember the Illinois Orthopaedic Society as a nice group of people who got together monthly to socialize with a little education thrown in.

NO longer. We still sponsor courses and promote education, but we also work for you to represent your interests on both the state and national political levels.

As your voice in Springfield, we want to keep you informed and we want to know your opinions! Please let us know your email address if you use email. Please feel free to email any of your officers if you have questions, complaints, or suggestions. Let us help you. Encourage your Orthopaedic colleagues to join. The more surgeons we represent the more attention we get.

This update is a summary of the American Association of Orthopaedic Surgeons position on the medical liability crisis.

AAOS GRASSROOTS MEDICAL LIABILITY REFORM CAMPAIGN

Goal: To Achieve meaningful medical liability reform beginning with a \$1,000,000 restricted fund. Each Board Member pledged to give \$1000 as leadership example. Asked each and every

member to pledge \$1000. Politicians need votes, and to get votes they need money. If you have not donated, you are not doing your part.

Your patients can vote. Educate them! To help, the academy provides: a **Tool Kit available for download at www.aaos.org**. Access it! It includes posters, ad material, speaking points, updated news information, and contacts.

SPEAKING POINTS WHEN DISCUSSING THE LIABILITY CRISIS

1. It's a liability crisis, not a malpractice crisis.

The AAOS & IAOS are not in favor of negligent treatment. We are against the system of assessing liability. The problem is excessive judgments, not increased poor medical care. The frequency of medical liability lawsuits has remained the same over the last ten years. The costs are spiraling out of control.

2. Excessive judgments & costs of defending cases make medical care less available and less affordable.

The problem is not doctors whining about their loss of income. The problem is patients losing access to affordable care. Across the nation including Illinois, insurance companies are leaving the medical liability business. Attorneys blame insurance companies' "poor investments," but despite their poor investments, they continue to write other policies. No matter the cause, without liability insurance, orthopaedic surgeons cannot practice. To limit their risk, surgeons are limiting their ER coverage, no longer doing spine surgery, avoiding high risk procedures and complicated trauma, referring patients to other institutions, relocating and closing practices, and avoiding uninsured patients.

3. The only meaningful liability reform solution includes caps on non-economic damages.

If we want meaningful reform, we need to convince the politicians that our patients will suffer without reform. We'll continue to keep you informed on this and other issues that concern orthopaedic surgeons in Illinois. **■**

Dear IAOS Member:

I AM ASKING FOR YOUR HELP WITH A NEW PROJECT INITIATED BY THE BOC State Orthopaedic Society and the Orthopaedic PAC. The Developing Relationships Campaign is designed to foster interaction between you and your Member of Congress. Personal access will prove invaluable when issues arise

that are important to the orthopaedic community. Every representative is up for reelection in 2004, and active support for the incumbent or challenger is an important part of the AAOS political effort. The crucial bottom line is a personal relationship with the candidate you support.

Specifically, I suggest that you host a fundraiser for the candidate you support in your district. Most commonly this will be the incumbent, but in some congressional districts a challenger may be preferred. It should be clear, though, that it remains your choice, as this will be your fundraiser. If you would like information on candidates in your district—particularly those candidates sensitive to the

physician's concerns—feel free to contact the AAOS/PAC office in Washington, DC. The Washington office may also be able to support your effort with a check to present at the fundraiser (most commonly \$1,000), but this would be decided by the Orthopaedic PAC.

A fundraiser in your home will benefit the candidate you support financially and provide him or her access to voters. It will also give you and your professional associates an extended period of time to share your concerns on health care issues. There are more congressional districts in your state than BOC members. We need each Councilor to host a fundraiser and each Councilor to recruit three to four other State Society mem-

bers to host a fundraiser in his or her district. The idea is to have a fundraiser in all of the congressional districts in your state.

A fundraiser in your home does not require a major time commitment; it does not have to be difficult or expensive. A prior relationship with the candidate is not necessary. A fundraiser can be a lot of fun and greatly increase the effectiveness of your own financial contribution. Planning will take some effort, but we can help you throughout the process; one resource we'll be able to provide is a concise set of guidelines for planning a fundraiser. Please return the enclosed card indicating your willingness to help the Developing Relationships Campaign. Having spoken with many of you, I am eager to see the Campaign go forward and begin the work for which there is already much enthusiasm.

Best wishes,
John Drake, MD
Chair, BOC State Orthopaedic Society
Committee 

AAOS Practice Management Center (PMC) Expands

THE AAOS PRACTICE MANAGEMENT Center (PMC) has continued to grow and expand since its inception in 2002. For the benefit of those unfamiliar with the service, the PMC contains a great deal of information that can help AAOS members run their offices more efficiently and effectively. To visit the Center,

go to the AAOS Home Page, <http://www.aaos.org/>, and click on the Practice Management button. You'll need to enter your name and member number or password.

Recently, two additional segments have been added to the PMC. The first new segment provides an overview of laws relating to practice management that have been enacted at the state level in recent months. It's important to keep track of such legislation across the country, because laws that are enacted in one year in one state are often introduced (and ultimately enacted) in other states.

The information for this segment is provided by staff in the Academy's State Society and Legislative Affairs area.

The second new PMC segment contains information on "best practices;" that is, approaches to solving problems that AAOS members have implemented in their offices which can be adopted elsewhere. These include approaches to increasing operational efficiency, decreasing expenses, improving quality of care and enhancing patient relations. This segment will grow in content on a weekly basis as members, practice managers and consultants send in their

thoughts and ideas.

The News Dispatch, one of the most frequently visited segments of the PMC, has been enhanced in terms of the number of news services consulted. This will increase the number of relevant articles selected for inclusion. Also, effective May, 2004, the majority of updates to the Dispatch are being made once each month, on the third Monday or over the previous weekend. Articles of major importance, though, will always be added as the news breaks.

HIPAAPREP FOR ORTHOPAEDICS™ UPDATE

In March of 2003, AAOS entered into an agreement with HIPAADocs Corporation to become the exclusive distributor of *HIPAAprep for Orthopaedics*, an on-line, Internet-based product designed to assist orthopaedic surgeons comply with the HIPAA Privacy regulations. Quite a few AAOS members subscribed to the service in the past year because they found it

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MALPRACTICE
LAWSUITS

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MANAGING RISK

Keep the threat of litigation behind bars.

Our legal justice system is out of control, threatening Illinois physicians with frivolous lawsuits. Fight back! Take control of your practice with Managing Risk, a revolutionary risk management program designed by ISMIE Mutual. Every time you complete a risk management component you'll earn valuable premium discounts. Act now and save up to 15% on your malpractice insurance. Hurry, because any discounts you earn this calendar year will be applied to policy renewals beginning on 1/1/05. To find out more, call 1-800-782-4767, ext.1627 or visit www.ismie.com.

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AAOS PMC Expands

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offers many advantages over traditional paper compliance products and even CD-ROMs; for example: on-line privacy officer training (as well as documentation of this training which the regulations require), easy to understand policies and procedures, customizable forms, and training targeted to different categories of practice employees.

For many people the time to re-subscribe to the *HIPAAprep* service is fast approaching. This process can be undertaken quickly and easily by calling Steve Ellis or Anna Scully at 866/299-5962. Subscription renewals are available at a 40% discount from the initial fee.

For those practices that did not elect to subscribe to *HIPAAprep* last year, here's a good reason to consider subscribing now: the product has been expanded substantially. In addition to

information and compliance assistance with respect to the HIPAA *Privacy* regulations, it also contains information and compliance assistance with respect to the HIPAA *Security* regulations at no additional cost. If you're a "covered entity" under HIPAA, you're already supposed to be in compliance with the former set of regulations; you only have until April 21, 2005 to comply with the latter. Compliance with *Security* will be at least as time-consuming and complex as complying with *Privacy*, so it makes sense to start sooner rather than later.

For more information, contact Steve or Anna at the number listed above or visit the *HIPAAprep* website, <http://www.hipaaprep.org>.

AAOS GROUP PURCHASING INITIATIVE

AAOS is currently investigating the appropriateness and feasibility of offering a group purchasing initiative that would be

available to orthopaedic surgeons across the country. This program would permit orthopaedists to purchase med/surg, x-ray, office and pharmaceutical supplies at prices that are typically lower than those they currently pay.

The fact that AAOS represents more than 15,000 physicians and 4,500 practices nationwide will ensure that we can obtain the maximum discounts for our members that are possible while at the same time not precluding them from purchasing some of their supplies from other vendors or distributors if they so choose.

Our analysis of the initiative is still in progress because many issues need to be taken into consideration in order to be certain the group purchasing program is of value to as many members as possible. A final decision will be made regarding the initiative by October, 2004 if not sooner. Assuming a decision is made to proceed, a phased roll-out of the service is envisioned for the first quarter of 2005. **n**

IAOS newsletter

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