AMA issues first report card on health insurers

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Some health insurance companies rate doctors on their performance. Now doctors are turning the tables.The American Medical Association issued its first health insurance report card at the group's annual meeting Monday. The primary focus is on how quickly and accurately doctors get paid."Physicians are spending 14 percent of their total revenue to simply obtain what they've earned," said Dr. William Dolan, an AMA board member.The report card is an effort to reduce the cost of claims processing to doctors and help them as they negotiate contracts with insurance companies, he said. The report card will help patients if it reduces wasteful administrative costs, Dolan added.The report card compares Medicare and seven national commercial health insurers on the timeliness and accuracy of claims processing. It is based on a random sample drawn from 3 million claims.There are no grades like A, B and C, and many of the technical measures may not mean much to most patients. But business leaders and health policy makers are interested in cutting an estimated annual $210 billion in wasted administrative claims processing costs, AMA leaders said.Four years ago, Dr. Marcy Zwelling got so frustrated with the time and cost of making sure she was paid accurately by insurers that she stopped dealing with them. She now runs a so-called "boutique" practice. Most of her patients pay her an annual fee out of their own pockets."The best thing is, I get to be a doctor" instead of a claims processor, said Zwelling, of Los Alamitos, Calif. She says she doesn't make any more money than she did when she accepted insurance, but she has more time with patients.UnitedHealthcare had the lowest rate of contract compliance, according to the AMA report. About 62 percent of medical services billed were paid by UnitedHealthcare at the contracted rate, compared with 71 percent for Aetna and 98 percent for Medicare.UnitedHealthcare spokesman Gregory Thompson said doctors and their billing services share responsibility for prompt payment. "Data show there is often a significant lag time between when services are provided and physician claims are submitted," he said.He said UnitedHealthcare has improved its electronic claims systems and noted the AMA gave the company higher ratings on other measures.Medicare performed better than the private insurers in most areas, said Dr. Lawrence Casalino, a University of Chicago health economist and former physician. Commercial insurance plans compete by promising employers that they are tough on holding down the cost of claims, he said."There's no

question that administrative costs for doctors and the country would be a lot lower in a single-payer system," Casalino said in an interview after the meeting. But a market-based system has advantages of competition, choice and innovation, he said. "Are the benefits enough to justify the cost?"Peter Lee of the Pacific Business Group on Health welcomed the report card, but said he hoped the AMA would look at a broader range of areas that would be helpful to consumers."Increased payments to physicians means increased premiums and increased costs in a system that is spiraling out of control," Lee said.Susan Pisano, a spokeswoman for America's Health Insurance Plans, said that for claims to be processed accurately and quickly it takes two parties: insurers and doctors.She complained that while insurance companies that rate doctors generally share the information with doctors before they make it public, the AMA did not share its report with insurers before releasing it online Monday.In other action Monday:_ The delegates voted to lobby for legislative changes that would allow pilot studies to find out if offering financial incentives would increase the number of organs available for transplant from deceased donors. According to the AMA resolution, pilot studies involving payment are barred under the National Organ Transplantation Act._ Delegates took a step back from endorsing programs that use undercover patients to evaluate the performance of doctors and their staffs. The delegates sent the matter back to the AMA ethics council. Doctors were concerned that these sham patients, used by some hospitals and clinics to evaluate health care performance, take time away from real patients.