



**New Jersey Orthopaedic Society**  
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## Monthly Report

### February 2015

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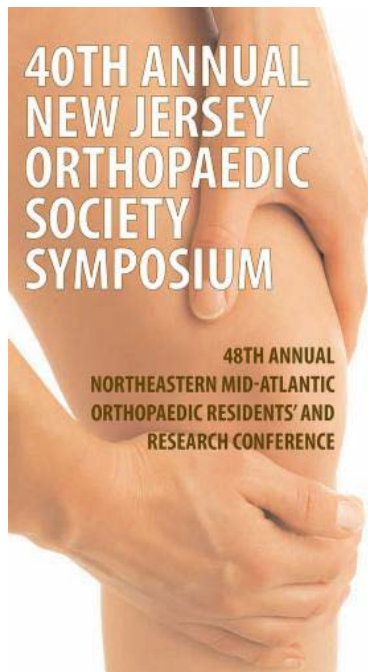
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#### REGISTER NOW

[www.njosmeeting.com](http://www.njosmeeting.com)

### New Jersey Orthopaedic Society 40th Annual Symposium



SURGICAL APPROACHES 2015

FRIDAY AND SATURDAY • MARCH 6 & 7, 2015  
THE TRUMP NATIONAL GOLF CLUB  
BEDMINSTER, NEW JERSEY

PRESENTED BY THE NEW JERSEY ORTHOPAEDIC SOCIETY  
WITH ACCREDITATION BY ATLANTIC HEALTH SYSTEM

Register Online Now at:  
[NJOSmeeting.com](http://NJOSmeeting.com)

#### Speakers Include:

*Dr. Steven Arnoczky of Michigan State University, College of Human Medicine*

*Dr. Frederick M. Azar of Campbell Clinic Orthopaedics and AAOS President*

*Dr. Michael Baumgaertner of Yale Sports Medicine Center*

*Dr. J.W. Thomas Byrd of Nashville Sports Medicine Center*

*Mark Manigan, Esq., NJOS Legal Counsel of Brach Eichler, LLC*

### ***From The President***

Mitchell F. Reiter, MD



The trend toward healthcare consolidation has continued at a rapid pace in NJ. The push from the government and industry is towards a model in which health insurance and the medical care itself are provided by single large institutions. A January 2015 Time Magazine cover story by healthcare journalist Steven Brill (author of *The Bitter Pill* about US Healthcare) discusses how this model of healthcare can save our county a great deal of money. [The link to the article is here](#) (Unfortunately, only Time subscribers will have access to the full article.)

In these models, a large system such as The University of Pittsburg Medical Center or The Cleveland Clinic would (and do) offer health insurance and then provide the care. This incentivizes the care provider to minimize costs and restores a missing capitalist connection to our current system which disconnects the payer from the receiver. What Brill and others do not discuss is the impact of these systems on physicians. We will simply be employees with a choice of working for one of two or three large systems in our regions. In their mind, we are a commodity that can just be plugged into the formula. In surgical specialties such as ours, differences in training, skill, experience, and bedside manner represent major factors that are no so easily quantified.

Physicians need to make sure that we have a seat at the table as our system evolves. The NJOS is doing our best to help with these and other issues, but we need our members to speak to your patients, friends and politicians when the opportunities arise. The NJOS remains active on many other issues including opposing legislation that would add mandatory CME requirements in areas that are not pertinent to our specialty. We also continue to help modify opioid legislation to make it most helpful for us and our patients without being unduly onerous. Thanks for taking the time to read this and remember that it is just a couple more months until spring.

### ***From The Statehouse***

AJ Sabath, Lynn Haynes, and Bev Lynch

Opioid abuse and diversion is still dominating debate in Trenton throughout the legislative process and during behind the scenes deliberations over potential amendments. At the heart of the debate includes a measure that would extend the "Overdose Prevention Act" immunity provisions to certain professionals and professional entities and a bill that would expand medicine drop boxes throughout NJ and increase awareness of available locations.

We have been working with sponsors of legislation that would impact New Jersey's Prescription Monitoring Program (PMP) S. 1998. This bill is a major concern this year and we will continue to keep you informed of our efforts to prevent mandatory checking of the PMP prior to prescribing CDS.

We are also keeping a close eye on the Assembly Financial Institutions and Insurance

Committee to see if it takes any action in response to three hearings last fall on the Out of Network issue. We have been working closely with our partners which include the Medical Society of New Jersey, the New Jersey Hospital Association, and numerous physician specialties. We expect Out of Network to continue to be a top priority this year.

### **RECENT LEGISLATIVE ACTIVITY**

The Senate Labor Committee recently passed S.1519, a bill that would require employers, physicians and hospitals to provide certain notices regarding employee benefits. The NJ Chamber of Commerce and Business and Industry Association opposed the bill on behalf of employers, because the bill increases reporting requirements. The House of Medicine including the MSNJ, the NJ Hospital Association and a variety of specialty societies also oppose the inappropriate mandate on physicians to provide this information.

The Senate Health Committee recently passed S.876, which would require physicians and hospitals to provide testing for Hepatitis C for adults born between 1945 and 1965. The bill would require that the test be offered at every patient encounter unless the patient confirms that she has already been tested.

The Senate Health Committee recently passed S.1533, which would require the State Board of Medical Examiners to conduct international background checks and contact each past employer of an applicant, as long as the employment was in the last 10 years and related to the practice of medicine. The House of Medicine including the MSNJ, the NJ Hospital Association and a variety of specialty societies, and the New Jersey Board of Medical Examiners oppose this bill.

### **GOVERNOR CHRISTIE DELIVERS STATE OF THE STATE MESSAGE**

In his fifth State of the State address, New Jersey Governor Chris Christie both championed his record in New Jersey and touched on themes of interest to the national Republican party. The Governor touched on themes such as tax cuts, school choice, slowing Medicaid spending and reining in benefits for public workers. The Governor did devote a portion of the speech to discussing drug addiction treatment which included: investing more time and funds into providing enhanced drug rehabilitation services to nonviolent offenders; integrating employment services with treatment to allow those battling drug addiction to become self-sufficient; and the Governor touted that the state recently set up a single phone call system to help individuals seek and obtain needed drug rehabilitation services.

### **GOVERNOR CHRISTIE TO DELIVER ANNUAL BUDGET MESSAGE ON FEB. 24th**

Governor Chris Christie is expected to deliver his annual Budget Message to a joint session of the Legislature and invited guests on Tuesday, February 24. In his address, the Governor will outline his administration's budget proposal for fiscal year 2016. The New Jersey Constitution requires a balanced budget to be signed into law before the start of a new fiscal year, which begins July 1.

### **TALIAFERRO SWORN-IN TO GENERAL ASSEMBLY**

Former Gloucester County Freeholder Adam Taliaferro became the newest member of the General Assembly, receiving the oath of office from Assembly Speaker Vincent Prieto this week. Taliaferro will represent the 3rd legislative district, which includes parts of Cumberland, Gloucester and Salem counties, replacing Assemblywoman Celeste Riley who recently resigned to take the position of County Clerk in Cumberland.

Are you interested in serving NJOS as an AAOS Councilor? One slot available! Please email Lauren Myers at [lauren@amg101.com](mailto:lauren@amg101.com) with your CV. The Councilor positions will be voted on at the annual meeting on March 7, 2015. Details for the position are listed below.

The BOC, which supports 110 "Councilors," is composed of representatives from each state orthopaedic society, four regional societies, the District of Columbia, the U.S. Territories, the U.S. Military, and Canada. The Councilors are elected or appointed by their respective societies.

The BOC meets during the AAOS Annual Meeting, the National Orthopaedic Leadership Conference, and the Fall Meeting. Major activities at these meetings include:

- Providing recommendations regarding proposed advisory opinions, resolutions, standards of professionalism, and bylaws changes from the AAOS Fellowship;
- Exploring AAOS health policy, education, communication, research, membership, and governance issues and formulating specific recommendations to the AAOS Board and other AAOS leadership bodies on these issues;
- Meeting with Congress and other federal officials to promote the interests of orthopaedic surgeons and their patients (National Orthopaedic Leadership Conference); and
- Creating and implementing educational programs directed toward the enhancement of attendees' competence, as well as improving the practice environment and patient care.

### *PriMed Consulting Update*

Gabrielle Lamb, Vice President of Business Development

**MDAdvantage Insurance Company of NJ:** In recent years MDAdvantage introduced '**SupremeAdvantage**', a product enhancement that brings you a new level of protection for you and your practice.

**SupremeAdvantage** consists of the following:

1. Employment Practices Liability Insurance (EPLI)\*
2. Privacy and Data Security Insurance (PDSI)\*\*
3. Medical Practice Administration Insurance (MPAI)\*\*\*



MD Advantage is providing a **complimentary** package of coverage to their current insured's as of September 1, 2010. **The three claims-made coverage's have been automatically provided as one endorsement to your medical professional liability policy, providing a combined single limit of \$50,000.**

#### Additional limits:

As an MDAdvantage insured, you have the option to purchase coverage in excess of the \$50,000 provided in the base coverage. There are **three purchase options:**

1. EPLI - \$1Million limit / \$1Million aggregate
2. PDSI / MPAI - \$1Million limit for each coverage / \$1Million in aggregate
3. All three coverage's (EPLI and PDSI/MPAI)

Information on the above free base coverage and the excess coverage options has been mailed to your office directly by MDAdvantage.

**\*EPLI -Employment Practices Liability Insurance:** EPLI defends the insured for any

claims arising out of employment practices activities relating to:

- Wrongful demotion, discharge or termination of employment
- Employment-related misrepresentation
- Violation of employment discrimination laws
- Sexual and other harassment
- Wrongful failure to hire
- Negligent evaluation
- Retaliation
- Invasion of privacy
- Employment-related defamation or infliction of emotional distress

*Broad Form EPLI Option:*

This option provides third party coverage for actions by an insured against a non-employee. Patient abuse, molestation and harassment are excluded; however, this coverage can be included for additional premium

**\*\*PDSI - Privacy and Data Security Insurance:**

PDSI covers the following:

Network Security & Privacy Insurance - Defends the insured for any claims arising out of a breach of privacy, virus attack, denial of service or **HIPAA violation**. The coverage is for electronic and paper-based information, and includes regulatory defense and the payment of regulatory fines or penalties.

Patient Notification & Credit Monitoring Costs Insurance - Coverage includes all necessary legal, public relations, electronic forensics, advertising and postage expenses incurred by the insured to notify third parties of a breach of information, as may be required in NJ. In addition, one year of credit monitoring is included.

Data Recovery Costs Insurance - Provides reimbursement for reasonable and necessary amounts required to recover and/or replace data that is compromised, damaged, lost, erased or corrupted, including software costs.

**\*\*\*MPAI - Medical Practice Administration Insurance:**

MPAI covers the following:

Coverage for attorney and audit costs as well as fines and penalties incurred in response to actions or proceedings resulting from Recovery Audit Contractor (**RAC**) audit findings

Provides defense costs and civil fines and penalties coverage for billing errors, **STARK and EMTALA proceedings**

Broad definition of billing errors proceedings, which includes both governmental and commercial payor audits and investigations, qui tam plaintiffs, or voluntary self-disclosure.

**OSNJ Medical Liability Insurance Purchasing Alliance:** Members of the OSNJ MLIPA can take advantage of discounts of up to 12.5% on their malpractice premiums.