



## New Jersey Orthopaedic Society

150 West State Street, Suite 110

Trenton, NJ 08608

(609) 392-6154

[www.njos.org](http://www.njos.org)

## Monthly Report

### July 2015

#### In this issue

[From the President](#)

[ICD-10 Coding Conference 9/10/15](#)

[From the Statehouse](#)

### SAVE THE DATE

## April 1 & 2, 2016

NJOS 41st Annual Symposium  
and

49th Annual Northeastern Mid-Atlantic Orthopaedic Residents' and  
Research Conference

The Heldrich Hotel

New Brunswick, NJ

#### *From The President*

Mitchell F. Reiter, MD

There has been a lot of political activity in New Jersey over the past couple of months. The biggest item was that a very complex piece of legislation was proposed to address charges resulting from urgent care provided by out-of-network doctors and facilities. In addition to a host of other bureaucratic requirements, the bill would have required arbitration that paid physicians between 75% and 250% of the average in-network paid claims rate for urgent care or any care rendered to a patient unexpectedly. I will focus on this issue to give some of you a sense of what goes on behind the scenes in these situations. Presently, NJ citizens are protected from excessive charges for urgent care provided by out-of-network providers and facilities because insurance carriers are required to pay for this urgent care even if the patient does not have a plan that offers an out of network benefit. Unfortunately, some providers and facilities have abused this protection by submitting excessively large bills for these services. This has generated a backlash from the insurance industry which has strategically worked with the press to publicize some of these outrageous charges.



The NJOS was heavily involved in stopping this legislation. Our officers met with key legislators and I testified in Trenton. Our advocacy effort helped us gain access to key legislators so that our concerns could be voiced. Observing the legislative process on this issue was eye opening and somewhat disheartening for me. The initial proposal was, in most surgeons' opinion, quite odious. Very quickly, proposed amendments were circulated (typically right before a hearing). The hearing would then focus on these nebulous amendments. At present, the bill has been withdrawn, but guarantees have been made that it will be revisited in the fall. The NJOS and other medical societies need to be involved in this issue to help forge legislation that addresses the problem, but preserves access to high quality care for our patients. The insurance industry is certainly working hard to remove the current patient protections in favor of ones that essentially let the insurance carrier pay according to their in-network fee schedule for urgent out-of-network care. We need to make it clear to our legislators and patients that Orthopaedic surgery and especially emergency room care cannot be easily volume discounted and provided at cut rate prices.

This is just one of the issues that have kept us busy. Others include opioid legislation, proposed additional CME requirements for licensure, ambulatory care center regulations and many more. Thank you all for supporting our society. I hope that everyone has a great summer.

Thanks,

Mitch Reiter  
President of the New Jersey Orthopaedic Society

**Together We Can Do This!**  
**Shape Your Coding Strategy for 2015**

MASTER THE NEWEST CODING AND REIMBURSEMENT CHANGES.  
**GET PAID FASTER!**

AAOS  
AMERICAN ACADEMY OF  
ORTHOPAEDIC SURGEONS

### **A 'REVIVAL' PRODUCTION ON 44TH STREET**

*Join us for a second ICD-10 coding workshop in New York City on September 10!*

Attend the AAOS/KZA ICD-10 coding and reimbursement course in NYC on Thursday, September 10 at the Cornell Club in Midtown Manhattan. Demand for ICD-10 education is high. The May 8th course sold-out. Many physicians and staff requested this second training date. There are only 75 seats in the September meeting room. Margi Maley, BSN, MS is the instructor. Read some of her recent reviews:

"The course left me feeling empowered to meet the challenge of ICD-10. I received excellent tools, including the flashcards, IZD-10 Slim Guide, and tips from the workbook. I now possess a solid strategy to emphasize the diagnosis codes, which account for the majority of my collections." --Sylvia Hesse, MD, New York, NY

"The time and effort that KZA put into developing a system to help coders with orthopaedic coding is so

greatly appreciated. The tools that you have created are worth every penny we spent for this workshop. We can only express our thanks for all of your hard work. See you next year!" --Yvonne Currie, COO, Casper, WY

"A truly outstanding course!" --Anthony Sanzone, MD, Chula Vista, CA  
Send new doctors and staff to this seminar to prepare for ICD-10 on October 1, 2015. No more delays. No more reprieves. It's happening, and your practice needs to be ready for it.

**98% OF 2015 ATTENDEES WOULD RECOMMEND AAOS/KZA TRAINING  
TO A COLLEAGUE.**

With less than 100 days until the implementation of the ICD-10 coding system, time is running out.

Register TODAY at [www.karenpko.com/workshops](http://www.karenpko.com/workshops) or call 312-642-8310

Need more information? Want to see the full agenda? Check out our 2015 e-brochure:

[http://www.karenpko.com/downloads/2015\\_AAOS\\_Ebrochure.pdf](http://www.karenpko.com/downloads/2015_AAOS_Ebrochure.pdf)

---

*From The Statehouse*

AJ Sabath, Lynn Haynes, and Charles Burton



**GOVERNOR CHRISTIE LAUNCHES WHITE HOUSE BID**

Governor Chris Christie made his long-anticipated dive into the 2016 Republican presidential waters becoming the 14th major Republican to enter the race. He joins five other sitting or former governors, with two others waiting in the wings. Governor Christie is expected to continue in office as New Jersey's Chief Executive for the remainder of his term which expires at the end of 2016. While the New Jersey Governor is expected to have an intensive travel schedule to campaign in early primary States, Lieutenant Governor Kim Guadagno will fill in his place during any absences.

**CHRISTIE SIGNS FY 16 BUDGET, USES RED PEN TO VETO DEMOCRATS' TAXES AND EXPANDS EARNED INCOME TAX CREDIT**

On Friday, June 26, 2015 New Jersey Governor Chris Christie approved the Fiscal Year 2016 budget which took effect on July 1, 2015. The Governor used his line-item veto power to eliminate more than \$1.6 billion from the FY 2016 budget which was approved by the Democratic-controlled Legislature bringing the final budget closer to the \$33.8 billion plan he proposed earlier this year. The Governor vetoed an income tax increase, a corporate business tax surcharge and reduced the contribution to the Public Employee pension system to \$1.3 billion. The Governor conditionally vetoed legislation that would have instituted a millionaires' tax instead seeking an increase in the Earned Income Tax Credit (EITC). On Monday, June 29, 2015 the Legislature formally approved the Governor's recommendations and approved an increase in the State EITC from 20% to 30% of federal earned income tax credit for taxable years 2015 and thereafter.

## **OUT-OF-NETWORK UPDATE**

After months of behind the scenes wrangling and upon completion of two lengthy "discussion only" legislative hearings in the State Senate and General Assembly, the New Jersey Legislature has recessed until fall before enacting any significant Out-of-Network (OON) reform. As you may recall there was a "discussion only" hearing in the Assembly Financial Institutions Committee in early June and a subsequent attempt to pass the bill out of the Senate Commerce Committee which failed. Amendments were made public but not adopted that scaled back the legislation, but not enough to limit the tremendous opposition from the provider community. As a result of the continued opposition, the Senate Commerce Committee ultimately only discussed the bill and did not vote to release it because there were not enough votes to pass it out of committee.

We have been working independently meeting with legislators, key staff and other pertinent officials in the Governor's office. We have also been attending fundraisers on your behalf and continue to communicate your concerns with the OON bill to important decision makers. We have been working with a larger coalition of providers including hospitals and the Medical Society of New Jersey as well as a host of other surgical specialties and physician organizations that work in a hospital setting and/or Ambulatory Surgery Centers. While we have been successful in temporarily beating back this issue independently as well as with the Access to Care Coalition, we do expect OON to resurface in late fall after the November elections.

To that end, we plan to work over the summer on identifying specific systems in effect in other states that offer a workable solution to the problem. We cannot escape shortcomings in the current system in New Jersey that permits egregious and excessive surprise medical bills to patients. We believe that implementing strong disclosure and transparency requirements on hospitals, doctors and insurance companies will solve much of the surprise billing problem. This coupled with a dispute resolution system that can truly weed out the egregious billing outliers will also help to address the issue. At all costs we must protect our ability to negotiate fair contracts with insurance carriers by preserving out-of-network billing in New Jersey.

After the July 4th holiday we will be circling the wagons with our provider allies to continue discussions about a summer strategy and our next steps as a group. We will also begin implementing on your behalf a strategy to further educate legislators and staff on any new developments or existing concerns. We will also continue to work to replenish our political war chest to enable us to maintain an active presence at political fundraisers.

## **THREE CHRISTIE CABINET MEMBERS STEP DOWN FROM KEY GOVERNMENT POSTS**

Three Christie Administration cabinet members have recently announced their resignation; State Treasurer Andrew Sidamon-Eristoff, Health Commissioner Mary O'Dowd and Banking and Insurance Commissioner Ken Kobylowski will leave the administration over the next several weeks. Deputy Treasurer Robert A. Romano will become Acting Treasurer. Catherine Bennett, the Department of Health's Director of Policy and Strategic Planning, will become acting commissioner. Governor Christie will nominate Richard J. Badolato, a partner at the law firm of Connell Foley in Roseland, to replace Kobylowski as Commissioner of Banking and Insurance.