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## The Changing Role of the Physician

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October 23, 2012

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As a young doctor, I often dreaded the thought of retirement, since that meant I would be leaving a vibrant field of medicine dedicated to improving the health of patients. At the end of my health care career, however (cut short because of illness), I find that our health care system is not anything I envisioned it would be, and as a patient I consider it nothing short of scary.

A physician's role in health care should be to promote affordable quality care for the patient. The importance of this role was exemplified in the final Centers for Medicare and Medicaid Services (CMS) regulation that repealed the requirement for local hospital boards but – to help offset concerns regarding "the importance of physician input at the governing body level" – inserted a requirement that at least one physician serve on a facility's hospital board. It was stated that this requirement "will build in an important element of continuity and ensure regular communication between a hospital's governing body and its medical staff(s)," and that "a physician who specifically represents medical staff members will hold some measure of enhanced standing within the governing body" ([Fed. Reg. 42 CFR Parts 482 and 485, vol. 77, May 16, 2012, 29038](#)).



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A month later, the American Hospital Association announced that this regulation had been placed on hold ([CMS Reconsidering Board Medical Staff Requirement](#), AHAnews.com, June 18, 2012). Three major concerns arose:

- First, how could CMS, which initially upheld the key role of the physician in the health care delivery system, suddenly reverse course and mitigate that role?
- Second, this was an unbelievable demonstration of the health care industry's power to almost instantly stop the implementation of a final regulation in its tracks, bringing into question the meaning of the word "final." This power can only be expected to increase as mergers continue to take place (Abelson, R. [Hospital Groups Will Get Bigger, Moody's Predicts](#), New York Times, March 8, 2012), and private equity firms and insurance companies enter the provider market (Niewenhou, M.D.; [Private Equity's Interest in Non-Profit Hospitals: What's Next?](#) HealthLeadersMedia; Caramenico, A. [Hospital Groups Grow With Insurer, Private Equity Partners](#), FierceHealthCare, March 8, 2012). As the health care system drifts from being patient centered to cost driven, there may be a concomitant increase in health care expenditures (Gaynor, M.; Town, R. [The Impact of Hospital Consolidation - Update](#), Robert Wood Johnson Foundation, June 2012).
- Finally, physicians having an important voice in governance is a major concern. Most physicians are becoming employees of hospitals and are no longer their customers. As employees, physicians may encounter difficulties maintaining their primary fiduciary responsibility to the patient. As our health care system rapidly changes and as Accountable Care Organizations take hold, safeguarding the physician's primary fiduciary responsibility is also a concern. Regulations for ACOs offer little protection to the physician, and clearly state that "the governing body members shall have a fiduciary duty to the ACO and must act consistent with that fiduciary duty" ([Fed. Reg. 42 CFR Part 425, Vol. 76, Nov. 2, 2011, 67819](#)).

During the comment period for the ACO regulation, consumer advocate organizations (including the Citizen Advocacy Center, Cautious Patient Foundation, Health Watch USA, and Mothers Against Medical Error) and consumer advocates expressed concern about mandating that the actions of the physician be in the best interest of the organization rather than the patient. They suggested the following revision: "A registered nurse, licensed practical nurse, advanced nurse practitioner, doctor of allopathic medicine, doctor of osteopathic medicine, or other health care provider with substantially similar responsibilities shall have their primary fiduciary responsibility to the patient and not to an institution or corporation which employs them, or to an entity which reimburses them for their services."

However, CMS chose not to adopt this proposed revision, thereby missing a vital opportunity to ensure a patient-centered rather than a cost-driven health care system.

Physician organizations have the ability to respond to and halt such occurrences. Supporting patients and having physicians as an important part of a hospital's governing body are issues that physicians would support, and so would the public.

Both vertical integration by acquiring physician practices ([N. Engl. J. Med. 2011;364:1790-3](#)) and horizontal integration through facility mergers have increased both the market and political power of an oligopolistic industry, which now can be governed by a single systemwide hospital board without physician representation. Physician hospital employment, the largest factor in vertical integration, is driven by large Medicare payment discrepancies between freestanding outpatient and hospital outpatient services (Kavanagh, K.T. [Health Care Integration: Will Physicians Lose Their Voice?](#) Bull. Am. Coll. Surg.; June 2011). The Medicare Payment Advisory Committee (MedPAC) has recommended that this discrepancy be eliminated for evaluation and management codes, which by the use of facility fees results in an 80% increase in payment for a 15-minute office visit provided by a hospital-owned physician practice (MedPAC, [Report to Congress](#), March 2012, p. xiv).

Physicians must recapture a leadership role in health care. To do so, they should embrace transparency and adopt meaningful health care quality measures that generate data regarding the higher quality of care that they deliver.

As a physician, I believe that health care providers are talented, respected, and caring individuals who want to relieve pain and suffering and practice in a patient-centered health care environment. And as a patient, I would like to be treated in a health care system where providers have significant and meaningful input into its governance and always have the patient as their primary fiduciary responsibility.

*Dr. Kavanagh is a retired otolaryngologist and board chairman of Health Watch USA.*

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