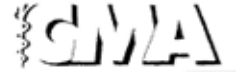




North Coast Physician



In This Issue:

EDITORIAL & PUBLICATIONS COMMITTEE
Emily Dalton, M.D.
George Ingraham, M.D.
Stephen Kamelgarn, M.D. "Guru"
Leo Leer, M.D.
Scott Sattler, M.D.
Erik Weibel, M.D. - Webmaster

EXECUTIVE DIRECTOR
Penny E. Figas

CONSORTIUM COORDINATOR
Terri Taylor

EXECUTIVE BOARD
John Nelson, M.D. PRESIDENT
Timothy Dalsaso, M.D. PRESIDENT-ELECT
Kelvin Vu, D.O. SECRETARY/TREASURER
John Mastroni, M.D. PAST PRESIDENT
Join Luh, M.D. DIRECTOR
David Villasenor, M.D. DIRECTOR
 VACANCY, DIRECTOR
Donald Baird, M.D. PUBLIC HEALTH OFFICER
Warren Rehwaladt, M.D., PUBLIC HEALTH OFFICER
Alison Palacios, D.O. EASTERN DISTRICT
Mark H. Davis, M.D. NORTHERN DISTRICT
William Carlson, M.D. CMA DELEGATE
Mark H. Davis, M.D. CMA DELEGATE
Corinne Frugoni, M.D. CMA DELEGATE
Stephanie Dittmer, M.D. CMA ALT. DELE.
Kate McCaffrey, D.O. CMA ALT. DELE
John Nelson, M.D. CMA ALT. DELE
Melvin Selinger, M.D. SSGPF
Peter Bretan, M.D. CMA DIST. X TRUSTEE
James Cotter, M.D. CMA DIST. X TRUSTEE

CMA President Message, Luther F. Cobb, MD	4
"A Critical Year for Healthcare"	
In My Opinion, Stephen Kamelgarn, M.D... ..	5
"We Get No Bang For Our Healthcare Buck"	
Legislative Update, Richard Pan, MD, MPH	6
"SB277: Halt Vaccine Preventable Diseases"	
Blogs/Editor's Thoughts, Stephen Kamelgarn, M.D.	7
"What Are They Thinking?" / "Its About Time"	
Calendar of Social Events	8
Welcome New Physicians	9
HDN Tattler	10
Coming, Going and Moving Around	10
Welcome Medical Student (s)	11
Risk Management	12
"Tips for Lowering Ambulatory-Care Risks"	
CMS Update.....	13
"Transforming US Healthcare Systeem to Focus on Value"	
Governor Calls Special Medi-Cal Session.....	16
Three Months Until ICD-10 Implementation.....	16
CURES Registration	19
Continuing Medical Education/Grand Rounds Calendar	22
Classified Ads	23

The Editorial and Publications Committee encourages our member's comments for publication.
Please submit electronically prior to the 15th of the month preceding publication.
hdcnms@sbcglobal.net

Cover Photo
"RED SAIL - JULY 4TH"
STEPHEN KAMELGARN, M.D.

North Coast Physician is published monthly by the Humboldt-Del Norte County Medical Society, 3100 Edgewood Road, P.O. Box 6457, Eureka, CA 95502. Telephone: (707) 442-2367; FAX: (707) 442-8134; E-Mail: hdcnms@sbcglobal.net Web page: www.hdcnms.org

North Coast Physician **does not** assume responsibility for author's statements or opinions; opinions expressed are not necessarily those of North Coast Physician or the Humboldt- Del Norte County Medical Society.

We Get No Bang For Our Healthcare Buck

Stephen Kamelgarn, MD



Recently, the Peterson-Kaiser Health System Tracker has put together a series of charts that show how the US stacks up with the rest of the world in health care prices. And we come out looking very bad, and really expensive.¹

They looked at the cost of several different drugs and our costs were two to three times higher than anywhere else: \$213 for Nexium in the US vs \$60 in Switzerland or \$23 in the Netherlands. This is the same drug, but for some reason it's three and a half times more expensive in the US. In the US in 2013, Nexium registered \$6.2 billion in sales, whereas it would have been only \$663 million had we been charging what they charge in the Netherlands. In the US, even the cost of so-called generic drugs is soaring. One half of the generic drugs on the market went up in price over the past year, and another 10% doubled in cost.² An example of the insanity of drug prices are the cost of generic digoxin, a drug that has been around since the 1750's, has gone up to \$187 for a 90 day supply, while its brand name Lanoxin sells for \$24.30 in Canada.³ The United States has the highest drug costs in the world.

The same holds true for imaging technology: \$1,100 for an MRI in the US vs \$461 in the Netherlands or \$154 in Spain. A \$900 CT scan in the US would cost only \$100 in Canada or \$430 in Switzerland.

Surgery in the US is also hugely expensive: \$26,500 for a hip replacement in the US vs \$11,500 for the exact same surgery in the Netherlands. A \$14,000 appendectomy in the US would have only cost \$5,000 in the Netherlands or \$6,600 in New Zealand.

Last Night (June 20) 60 Minutes

re-ran a story about the exorbitant cost of cancer drugs in this country. They didn't do a comparison with European drug prices, but I have. The average retail price of 29 cancer drugs in Europe was 10% lower than the average wholesale price in the United States.⁴ These are the exact same drugs made by the exact same company.

What was really crazy was that Sanofi immediately cut the price of one of their cancer drugs in half, after an editorial in the New York Times excoriated them for predatory pricing. So all this nonsense about how much it costs to bring a drug to market, is a lot of baloney. Most big drug companies don't really do much R&D anymore. They let the smaller biotech firms take all the risk, and then they use their marketing clout to work out a deal with the smaller firm to actually market the drug after it gets close to FDA approval.

Medically induced bankruptcy is the leading cause of individual bankruptcy in the United States, accounting for approximately 2/3 of all personal bankruptcies, and these numbers seem to be increasing.⁵ Over half of the people who had declared medical bankruptcy stated that drug costs were the primary factor.⁶

Almost every country in the industrialized world has a central government body that negotiates prices with hospitals and drug manufacturers to keep prices down. Here in the US, where we have no such agency, every insurance plan negotiates individually with hospitals, doctors and pharmaceutical companies to set their own prices. Insurers in the United States don't get a bulk discount. Instead, our fragmented system means that Americans pay more for every type of health care. So not only are we

held hostage by predatory, avaricious insurance companies, we're also in thrall to the greed of Big Pharma.

If we're ever going to get a handle on the soaring cost of medical care in the United States, we absolutely must gain the upper hand in setting prices for drugs and services, and this can only be done on a national level. However, there's no political will there. As part of the 2004 Medicare reform act that provided a drug plan for seniors, Medicare was specifically prohibited by law from negotiating drug prices. That's just insane.

There are currently more than 50 million Medicare recipients in this country. That is a huge block of people that can bargain for a good deal. In 2013, Medicare spent \$103 billion, under Part D, for medications for 36 million people. If Medicare could negotiate even a 10% discount in drug prices the cost savings would amount to more than \$10 billion. And, with 50 million members, I'm sure that they could probably negotiate a much greater discount.

People who have been reading my rants over the years know that I'm no friend to the insurance industry, but what we're seeing here is lack of national policy that allows both the pharmaceutical industry and healthcare facilities to exploit the fragmented multiplicity of insurance plans and this lack of financial oversight. Tom Sackville, chief executive of the International Federation of Health Plans says, "You could say that American health care providers and pharmaceuticals are essentially taking advantage of the American public because they have such a fragmented system. The

"Bang", Continued on Pg. 20

“Bang”. Continued From Pg. 5

system is so divided, its easy to conquer.”

Since the Republicans in Congress are so Hell bent on cutting taxes and redistributing wealth to the wealthy, shouldn't the rest of us be getting much more bang for the nation's dwindling tax revenues? Since this has nothing to do with "Obamacare" it should be a no brainer for the Republicans: spend our tax dollars more wisely, and they can still feed the rich, off the savings.

Notes

1. Sarah Kliff "The real problem for American health spending, in 2 charts" Vox: Policy & Politics June 4, 2015 <http://www.vox.com/2015/6/4/8730281/america-health-costs-charts>
2. Elisabeth Rosenthal "Lawmakers Look for Ways to Provide Relief for Rising Cost of Generic Drugs" The New York Times November 24, 2014
3. Ibid
4. Ibid
5. David U. Himmelstein, MD, Deborah Thorne, PhD, Elizabeth Warren, JD, Steffie Woolhandler, MD, MPH. "Medical Bankruptcy in the United States, 2007: Results of a National Study." American Journal of Medicine, 2009. http://www.pnhp.org/new_bankruptcy_study/Bankruptcy-2009.pdf.
6. Ibid
7. Kliff op cit

“SB277 Continued From Pg. 6

are speaking out; they demand leadership to halt the spread of preventable diseases.

SB 277 will abolish the personal belief exemption for enrolling unvaccinated children in schools. A medical exemption will remain available for children who cannot be immunized. SB 277 will not remove a parent's choice to vaccinate their child. However, choice requires responsibility and under the measure, parents who decide to not vaccinate will be required to home school their children. All children deserve to be safe at school, and refusal to vaccinate endangers other children at our schools and in our community.

As a pediatrician, I have cared for children whose parents refused vaccination. I ask their parents to share with me what they have seen or read that worry them. Usually it turns out to be vaccine misinformation, but then some say that the disease is gone so their own child is not at risk. We no longer have that luxury. I ask your support for SB277. §

Reprinted with Permission Sierra-Sacramento Valley Medicine, May/June 2015 issue.

**CMA PRACTICE
RESOURCES
(CPR)**

CPR IS A FREE MONTHLY E-MAIL BULLETIN FROM THE CALIFORNIA MEDICAL ASSOCIATION'S CENTER FOR ECONOMIC SERVICES. THIS BULLETIN IS FULL OF TIPS AND TOOLS TO HELP PHYSICIANS AND THEIR OFFICE STAFF IMPROVE PRACTICE EFFICIENCY AND VIABILITY.

STRENGTH IN NUMBERS

YOUR HELP IN RECRUITING YOUR COLLEAGUES AND STRENGTHENING THE "VOICE" OF YOUR PROFESSION AND YOUR PATIENTS IS IMPORTANT. YOUR MEMBERSHIP COMMITTEE NEEDS YOUR HELP.



**ECONOMIC ADVOCACY
CMA REIMBURSEMENT HOTLINE:
(888) 401-5911**

CLASSIFIED ADVERTISEMENTS

PRACTICE OPPORTUNITIES

Refer to Practice Opportunities on our website for a list of Practice Opportunities for Physicians. Separate listing for Advanced Practice Clinicians is also posted. Recruitment Brochure & Video; Links to Local Recreation; Links to Loan Repayment Programs; Norcal Medical Partners Facebook, and more....
www.hdncms.org

PNP WANTED for busy pediatric practice. Salary based on experience; full benefits. Please send cover letter and resume with references to: Emily Dalton at 2800 Harris Street Eureka, CA

PHYSICIAN /APC NEEDED United Indian Health Services, Crescent City & Klamath Clinics. Contact: Zanzzy - Zanzzy. Polycarp@crihb.org

PHYSICIAN /APC NEEDED for established practice. Contact Debbie at (707) 443-4593 dlee806245@aol.com

PHYSICIAN / APC NEEDED for new Arcata primary care office. Contact Lorraine at (707) 443-8335, lgomes@efpdocs.com

MISCELLANEOUS

HAIKU-CARDS featuring Stephen Kamelgarn, MD's artwork is now available at local gift shops - be on alert!
Haikucard@yahoo.com

Did You Know...

The Medical Society offers NOTARY PUBLIC services for our members at no charge.

FURNITURE & EQUIPMENT WANTED

PROPERTY FOR SALE/ RENT/ LEASE

HOME FOR SALE - 3100 sq ft on 2.6 acres. 6 bedroom, 3 full bath, open kitchen - dining - living area. 2 sun porches, family room, den. Could convert part to mother-in-law unit. Attached large 2 car garage and 2 car carport. Gated, paved drive with RV space. Fully fenced property on Fickle Hill adjacent to the Arcata Ridge Trail. Small outbuildings. Fruit trees, mature organic garden area, small pasture, forest. \$659,000.
 Contact Darrell Burlison at Arcata Real Estate (707) 496-6691

ARCATA PROFESSIONAL OFFICES FOR LEASE. Newly constructed, ADA compliant, parking. Located in Valley East Centre office park. 144 sq.ft. - 1200 sq.ft. suites available.
 Contact Mark @ (707) 616-4416 or Jones202@suddenlink.net

EXTENDED STAY RENTAL: Third Street Suites at 1228 3rd Street. Fully furnished luxury one-bedroom/full kitchen in Old Town Eureka. \$1800/mo. incl. all utilities, cable, Internet, private connected garage, and weekly maid service. Please visit www.ThirdStreetSuites.com for additional info. or 707-443-3001.

MEMBER BENEFIT

Members can request a Job Announcement be sent out to the Office Manager distribution list to announce their staffing needs. Contact the Medical Society Office for more information.

Display Advertising Rate Schedule

<u>SIZE</u>	<u>MONTHLY</u>	<u>SIZE</u>
1/4 Page	\$140.00	7.45" x 2.61"
1/2 Page	\$160.00	7.45" x 5.23"
1/3 Page Vertical	\$150.00	2.37" x 9.95"
Full Page	\$200.00	7.45" x 9.95"
Inside Cover/Full Page	\$275.00	7.90" x 10.40"
Business Card Ad	\$65.00	Copy Ready 2" x 3.5"
Classified Ads	\$5.25 per line	

DEADLINE: 15th day of the preceding month to be published