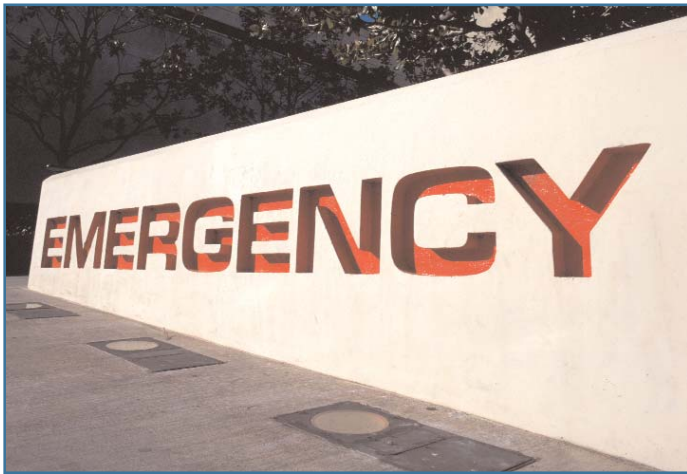


# ER call coverage: fair and guaranteed compensation for specialty physicians

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Specialty physician back-up coverage for the ER is a critical issue in today's healthcare environment. While hospitals are ethically and legally required to have a full call panel of specialty services, increasing malpractice costs and rising financial risk have caused physicians to be less eager to take call.



In the past, members of the medical staff generally volunteered to be part of the ER call panel, but as the number of uninsured patients requiring emergency care increased, providing ER back up services became economically unattractive for most physicians. With specialty physicians less willing to take call, hospitals face increasing financial and legal risks, as well as patient care concerns.

As a result of this struggle, hospitals and physicians have searched for fair and equitable strategies to solve the dilemma. One alternative is mandatory call, which forces physicians to provide ER backup services as a condition of medical staff membership. Although this solution intends to solve the empty call panel crisis that voluntary call creates, the repercussions of mandatory call can be even more detrimental to hospital-physician relations. Physicians may become bitter towards the hospital for mandating them to undertake the financial risks involved in taking call. As a result, many physicians often resign from their respective hospitals, opting to provide care where these mandates do not exist.

In an attempt to provide the necessary incentive for physicians to cover the call panel, some hospitals have instituted stipend programs. In a stipend system,

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physicians still carry the financial risk and are still under-reimbursed for care provided to uninsured patients. Stipend systems also lead to competition among specialties for increased stipend amounts. Ultimately, call panels actually become smaller and the physicians taking call are exposed to increased risk.

A "fee for service" on-call compensation model was developed 14 years ago in California to address the needs of both physicians and hospitals. This model is currently benefiting over 1600 physicians in 21 hospitals. Known as the EA program, Emergency and Acute Care Medical Corporation (EACMC or "EA") can implement an on-call specialty physician reimbursement program which compensates physicians fairly, at market rates, while simultaneously satisfying the legal concerns of the hospital. This program covers the unassigned patient population of the ER and Trauma service, and provides incentive for specialty physicians to stay active on the ER call panel.

The EA program compensates physicians in a way that promotes physician service at the hospital. The program does this by providing a guaranteed level of fee-for-service reimbursement for specialty physician services provided to unassigned hospital patients. The rate of reimbursement is at a level which ensures that physicians will participate in the care of unassigned patients. With the EA program, physicians are guaranteed payment and financial risk is eliminated.

Physician participation in the EA program is voluntary, and physicians that do choose to participate, sign over the accounts receivable on unassigned patients in return for the premium rate of guaranteed reimbursement. The hospital agrees to cover the funding shortfall, which is the difference between the payout in aggregate to the specialty physicians and the net collections. For example, after a physician's chart is coded, the physician receives guaranteed payment based on RVU's assigned to CPT codes, or a case rate system. The physician is then paid in full for these services regardless of collections. With this system, physicians consistently see a significant increase in income for unassigned patients.

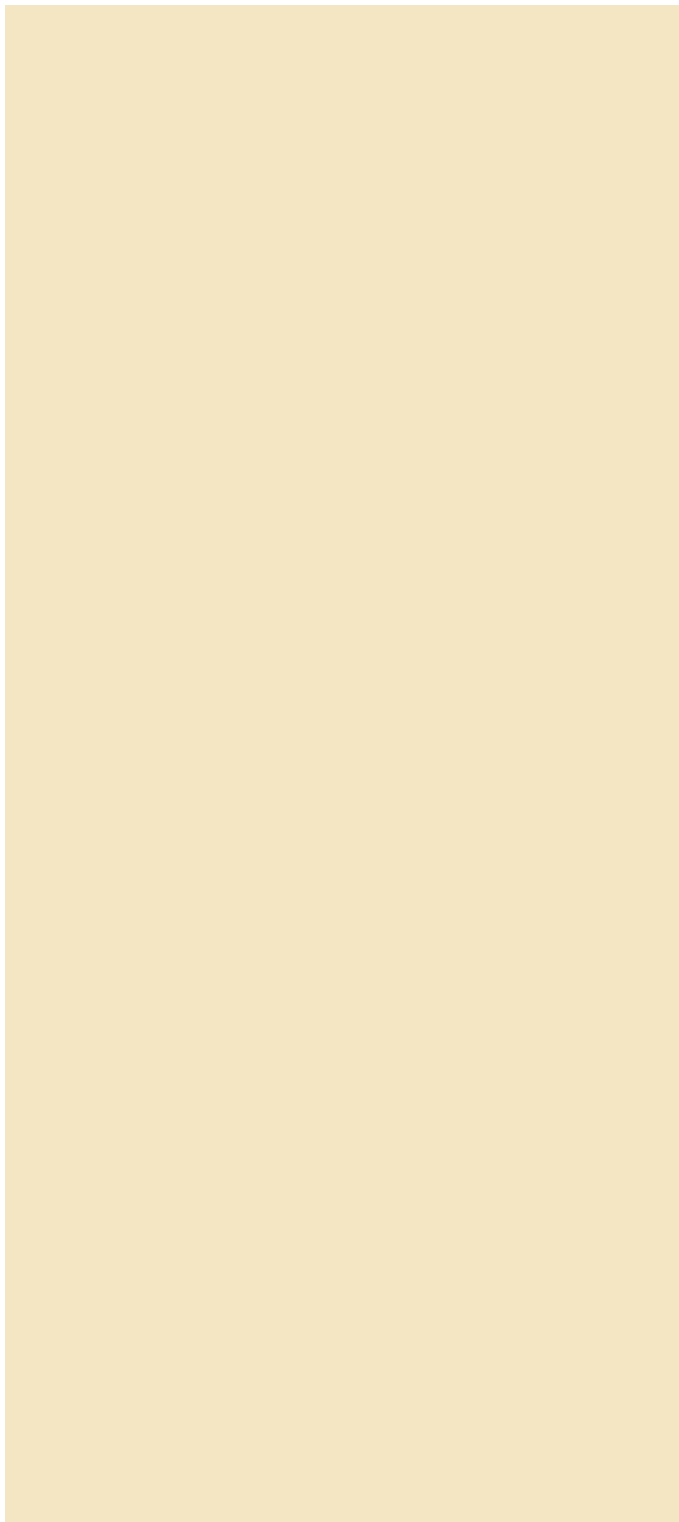
EA works with both the medical staff and the hospital administration to develop the compensation level which creates a mutually beneficial arrangement to solve the on call problem. EACMC guides the hospital and medical staff through this process, implements and maintains the program, and consistently reports to both parties on all

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message with the Health Legislative Assistant and express your concern with the growing problem of escalating liability insurance costs and how this is threatening patient access to care. Ask them to support S. 607.

It is time to bring common sense back to our courtrooms in order for our patients to have access to their physicians in emergency rooms, delivery rooms and operating rooms. It is time for residents to get involved.



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details of the operation. Recognizing that healthcare is controlled at a local level, this function is largely accomplished with the EA Steering Committee, a body composed of key physicians from the medical staff and administration at each hospital that oversees the program. The Steering Committee is able to control and direct the program to fit the unique situation at each site.

The EA program was first established at Sharp Memorial Hospital in San Diego, California in 1989, and since then, the program continues to be the solution for specialty physician back up coverage. Dan Gross, CEO of Sharp Memorial has said: "EA runs smoothly, is internally sound, and is adaptable and able to meet Sharp Memorial Hospital's specific and unique needs." Participating physicians are also very pleased with the economic strengths of the EA program. An EA contracted orthopedic physician states: "EA's guaranteed payment has eliminated the financial risk of seeing unassigned patients. I am paid well and I am paid on time."

The EA model is based on solving the real world challenges faced by hospitals and physicians, and was recently recognized as a "Best Practice" by the Clinical Advisory Board.

*For more information regarding the EA program, please contact EACMC at (858) 759-4765, or visit EA on the web at [www.eacmc.com](http://www.eacmc.com).*