**P O L I C Y & P R A C T I C E**

**Bill Seeks Increased IVIG Pay**

Legislation seeking to increase reim-
bursement levels for intravenous immu-
nglobulin (IVIG) has been intro-
duced in the U.S. House of Represen-
tatives. Patient groups and IVIG manu-
facturers have said that Medicare’s current coverage is so low that many physicians have stopped ad-
ministering the therapy. A patient sur-
vey by the Immune Deficiency Foun-
dation found that since January 2005, almost half of surveyed Medicare ben-
eficiaries with primary immuno
deficiency diseases had their treatments postponed by a physician, and 20% had serious health consequences because of the delays. About 10,000 Medicare ben-
eficiaries receive IVIG, according to the House legislation H.R. 2914. The bill would increase payment for IVIG and for ancillary services. It would also
maintain the preadministration fee
physicians have been receiving and pro-
vide management fees for home IVIG
infusion. H.R. 2914 was introduced by Rep. Kevin Brady (R-Tex.) and, as of press time, had 17 cosponsors, but no companion legislation in the Senate.

**Accutane Suits Advancing …**

With the first verdict rendered in the approximately 400 Accutane suits pending against Accutane (isotretinoin), several more cases are headed for court this fall. In late May, a New Jersey Superior Court jury found the manufacturer Roche guilty of failing to warn users of a risk of inflammatory bowel disease. The jury awarded $2.5 million in compensatory damages and $119,000 in medical expenses to 36-
year-old Andrew McCarthy, an Alaba-
ma resident who claimed he developed IBD after taking the drug for 4 months. The jury did not award punitive dam-
ages. A second suit was due to go tri-
al in Madison County, Ill., in April, but has now been rescheduled for Oct. 15. In the meantime, plaintiffs are alleg-
ing that Accutane caused his Crohn’s disease. Another suit is due to be heard in Pen-
sacola, Fla., in September.

**While Another Is Dropped**

Meanwhile, the plaintiffs in another high-profile Accutane suit have dropped their efforts to prove that the Roche drug led their teenage relative to com-
mit suicide. Julia Bishop and Karen Johnson, the mother and grandmother of
Charles Bishop, asked the U.S. Dis-
terest Court in Tampa to dismiss the suit they had brought alleging that Accutane had driven the then-15-year-old to try a
stolen Cessna airplane into a skyscraper in Tampa in early 2002. The crash gar-
nered worldwide attention as it oc-
curred just months after Sept. 11, 2001. Mr. Bishop also left a note expressing support for Osama bin Laden. Accord-
ing to news reports, he told Tampa media, Mr. Bishop’s mother and grandmother said they were too exhausted to continue to pursue the suit.

**Lupus Grants Awarded**

The Department of Defense’s Con-
gressionally Directed Medical Research Program awarded more than $2 mil-
lion in the form of two grants for re-
search on lupus and lupus biomarkers. The grants will fund investigations in mouse models, but the findings could lead to cell and molecular advances. A team at the Medical University of South Carolina in Charleston will experiment with targeting a certain cascade of pro-
teins in a mouse model in certain
areas where lupus causes tissue damage and to minimize immune sup-
pression in other areas of the body. Grant recipients at the Feinstein Insti-
tute for Medical Research at the North Shore Medical Center in Manhasset, N.Y., will examine estrogen’s role in triggering lupus activity in certain mouse models but not in others. That research could have long-term impli-
cations for testing patients with lupus for hormonal disorders.

**CDC: 43 Million Lack Coverage**

Nearly 15% of Americans—43.6 mil-
lion—lacked health insurance in 2006, according to the Centers for Disease
Control and Prevention. Among Amer-
icans aged 18-64, nearly 20% lacked health insurance in 2006, a slight in-
crease from about 19% in 2005, the CDC noted. About 9% of children did not have health coverage in 2006, a marked drop from 14% in 1997, the year the State Children’s Health Insur-
ance Program (SCHIP) was enacted.

**AMA: Investigate Store Clinics**

The American Medical Association has called for investigations into potential conflicts of interest posed by joint ven-
tures between store-based health clin-
ics and pharmacy chains. Physicians at the AMA’s House of Delegates in Chicago voted to ask state and federal agencies to determine whether these joint ventures pose a threat to patient welfare. “There are clear incentives for retailers to participate in the imple-
mentation and operation of store-based health clinics,” said AMA board mem-
ber Dr. Peter Carmel in a statement. “The nation’s physicians want the AMA’s House of Delegates in Chicago to address these concerns before your referers begin sending their patients else-
where.”

**Young associates also en-
sure that your practice will continue to thrive.** Your long-time referers will eventually retire, and if you have newyers who replace them they will naturally tend to refer to spe-
cialists closer to their age, leaving your practice to stagnate if younger physi-
cians are not a part of it.

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**Managing Your DERMATOLOGY PRACTICE**

**Hiring a New Associate**

You must also remember to include the costs of additional support personnel, ad-
ditional examination or procedure rooms, a larger reception area, and the associated mortgage or leasehold improvement costs, overhead expenses, payroll taxes, and lawyer fees.

If the new physician provides services that are new to your practice, you will most likely need new equipment. This means that you must factor expenses from suppliers into your calculations.

**The calculations will, of course, be- come more complex if the new physician will be doing only Mohs or cosmetic pro-
duces, but you get the idea.**

How much you pay a new associate will depend heavily on your location and indi-
vidual circumstances. Find out what near-
by practices are paying their recruits, and ask applicants themselves how much they expect to be paid.

The ultimate determination may re-
quire the services of an experienced prac-
tice consultant who is familiar with your practice area.

Many candidates will also expect incen-
tive compensation for exceeding their rev-
ue-generation goals.

You should also consider rewarding other performance achievements, in-
cluding relationship building, teamwork, practice promotion, and attraction of new referers.

Remember to factor in the fringe bene-
fits that your practice provides. Most com-
pensation packages include such standard benefits as paid time off, health insurance, deferred compensation, and discretionary bonuses. As with many other items, these benefits can vary depending on your geographic location.

For additional information on what you should include in your compensation packages, contact the American Society for Dermatologic Surgery or the American Academy of Dermatology for more information.

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